

11/18/77

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
LETTER w/att.	From Arthur Goldberg to The President (14 pp.) re: Review of Begin Speech / enclosed in Hutch- eson to Brzezinski 11/18/77 <i>Opened 6/1/92</i>	11/18/77	A

FILE LOCATION

Carter Presidential Papers- Staff Offices, Office of the Staff Sec. - Pres. Hand-
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THE PRESIDENT'S SCHEDULE

Friday - November 18, 1977

- 7:30 Breakfast with Vice President Walter F. Mondale,
Secretary Cyrus Vance, and Dr. Zbigniew Brzezinski.
The Roosevelt Room.
- 9:00 Dr. Zbigniew Brzezinski - The Oval Office.
- 9:15 Dr. Hafdan Mahler, Director General, World
(10 min.) Health Organization. (Dr. Peter Bourne).
The Oval Office.
- 10:00 Meeting/Civil Rights and Civil Service
(45 min.) Reorganization. (Mr. James McIntyre).
The Cabinet Room.
- 11:00 Mr. Warren Adler/Interview. (Mr. Jody Powell).
(10 min.) The Oval Office.
- 11:30 Admiral Hyman Rickover - The Oval Office.
(10 min.)
- 11:45 Honorable Arthur Goldberg. (Dr. Zbigniew
(15 min.) Brzezinski) - The Oval Office.
- 1:45 Budget Review Meeting. (Mr. James McIntyre).
(2 hrs.) The Cabinet Room.
- 4:30 Drop-By Reception of National Panama Canal
(15 min.) Citizens. (Mr. Hamilton Jordan) - The East Room.

THE WHITE HOUSE
WASHINGTON

November 18, 1977

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: S. 1184 - FISHERMEN'S
PROTECTIVE ACT EXTENSION

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON

LAST DAY FOR ACTION:
Saturday, November 19

MEMORANDUM FOR

THE PRESIDENT

FROM

STU EIZENSTAT
BILL DELLER

SUBJECT:

Enrolled Bill S. 1184 -- Fishermen's
Protective Act Extension

You must decide by Saturday, November 19, 1977, whether
to sign or veto this bill.

THE BILL

S. 1184 extends for one year the Secretary of Commerce's authority to reimburse, through a cooperative insurance program, commercial fishermen for losses resulting from the seizure of U. S. vessels by foreign governments on the basis of rights or claims not recognized by the United States.

The bill also establishes a new loan program for U. S. commercial fishermen whose vessels or gear are lost, damaged, or destroyed by a foreign vessel operating within the U. S. 200-mile fisheries zone. U. S. fishermen who suffer such losses often must wait months before their claims are resolved, and this program is intended to assist the fishermen during that time while their claims are pending.

If the Secretary of Commerce determines that a fisherman who received a loan was not at fault, repayment of principal and interest on such loans would be cancelled and any amounts paid would be refunded. The loan would become a grant. The federal government would seek to recover the damages from the foreign vessel owner. If the fisherman is at fault, the loan would not continue for its full term and the fisherman would be required to repay within a reasonable time.

OMB, Commerce, and Treasury express concern about this loan program, noting that:

*Stu - I
do not want
any extension
after this
JC
notify
Juanita
J*

THE WHITE HOUSE
WASHINGTON

November 18, 1977

Zbig Brzezinski

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: LETTER FROM A. J. GOLDBERG
AMBASSADOR WEST
EISENHOWER TRIP

ATTACHED NOTE FROM ARTHUR GOLDBERG READS AS FOLLOWS
(delivered by Dr. Brzezinski) (November 18, 1977)

THE PRESIDENT HAS SEEN.

*3615- to Cy
read J*

My dear President:

I trust it is not presumptuous for me to urge that you dispatch a private nonpublicized emissary to preview Begin's speech.

Ambassador Lewis is a good chap but a non-establishment person speaking for you is necessary to reinforce your personal appeal to Begin for moderation. And he should be given the opportunity to see and make suggestions in a diplomatic but firm way.

Again I apologize for presuming to offer this suggestion.

Respectfully,

Arthur J. Goldberg

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THE WHITE HOUSE
WASHINGTON

My dear President:

I trust it
is not presumptuous
for me to urge
that you dispatch
a private non publicized
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Begin's speech.

Ambassador Lewis
is a good chap but
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THE WHITE HOUSE
WASHINGTON

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the opportunity to
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suggestions in a
diplomatic but firm
way.

Again I
apologize for pre-
suming to offer
this suggestion.

Respectfully,
Arthur J. Fiedberg

AMBASSADOR JOHN WEST'S LETTER (ATTACHED) READS AS FOLLOWS:

~~CONFIDENTIAL~~

November 1, 1977

36.5
info
J

Dear Mr. President:

A brief, follow-up summary of the results of Sec. Blumenthal's visit, together with some observations and impressions--

First of all, the Blumenthal visit was most productive in persuading the Saudi's that a freeze on oil prices is essential. As reported earlier to you, Taki Yamani stated that the Saudi position would be for no price increase. Prince Fahd reiterated this statement. Each hedged to the extent of saying that it would be an OPEC decision.

Mike (who incidentally handled the meetings very well indeed) told them that the Shah has said that Iran would not press for an increase this time. The SAudis seemed skeptical. My net impressions and evaluations are:

(1) The Saudis are sincere in their no-increase position, recognizing the economic dangers of another price increase;

(2) They wish to avoid at this meeting another break with their fellow OPEC members -- hence their determination to hold the line at no increase is not as firm as we would like;

~~CONFIDENTIAL~~

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DECLASSIFIED

E.O. 12356, Sec. 3.4

PER 41312 SAK HORE MR-NLC-91-91
BY [signature] NARS, DATE 5/12/92

~~CONFIDENTIAL~~

(3) You can strengthen that resolve tremendously thru your visit here, which may well determine the ultimate outcome.

Blumenthal followed the same approach you used with Prince Saud -- that we looked upon Saudi Arabia as a full partner in the quest to peace and economic stability. He avoided any appearance of being patronizing or being unappreciative of the Saudi participation. It worked beautifully.

On a less optimistic note, there is increasing pessimism about the chances of peace, even if we get to Geneva. The Arabs here feel that even if we get to Geneva, Begin will never agree to a Palestinian state or any substantial withdrawal from present territory.

Unfortunately the Hoagland article in the Washington Post, reprinted in the Int. Herald Tribune, outlining Israel's preparation for war simply confirms the suspicions (in the arab mind) of their intentions for further expansion of their territories at the expense of the Arabs. The next logical step, according to some Arab sources, would be for them to seize or destroy the oil fields to remove the oil weapon from the Arab arsenal. While the Arab leaders continue to have complete confidence in you, they are equally convinced that the "Zionist conspiracy" will never

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

permit you to carry forth your peace program. They feel that you will probably be thwarted by "the Zionist who control Congress and the American press" and failing that they believe that you will be defeated because of their influence in 1980. The ultimate in their paranoia is a belief shared by a surprising number of Arabs that the Zionists would not hesitate to have your assisinated if it appeared that you were about to be successful in our present peace endeavor.

I tell you this not to alarm you or because I feel that any of these beliefs are valid, but simply to point out the degree of emotion and skepticism existing today in the Arab world. I know the Israeli position is articulated constantly, loudly and at times persuasively -- the Arab feelings are perhaps as deep although not as well expressed in the Western world.

I share now to a greater degree than ever before the pessimism about prospects for peace. I have come to these conclusions for whatever they may be worth.

(1) That the chances of the parties negotiating a peace at Geneva between themselves is so slim as to be almost non-existent. In addition to the Palestinian homeland, 1967 boundary issues, the subject of Jerusalem could in itself wreck any chance of agreement between the parties resulting from negotiations;

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

(2) That the only chance to avert another war is for the U.S. -- assisted by Saudi Arabia, perhaps Russia and others -- to impose a peace which is fair and equitable. Neither side in my judgment will voluntarily make the concessions necessary for peace without tremendous persuasion -- or pressure if you want to call it that. The real question becomes whether we can or will undertake that persuasion.

I expect to have a private meeting with Yamani to explore the oil question in depth in the next few days. I'll write you if anything worthwhile comes out of it.

Faithfully,

John

~~CONFIDENTIAL~~

JOHN C. WEST
AMERICAN EMBASSY
APO NEW YORK 09697

Nov 1, 1977

Dear Mr. President:

A brief, follow-up summary of the results of Sec. Blumenthal's visit, together with some observations and impressions -

First of all, the Blumenthal visit was most productive in persuading the Saudis that a freeze on oil prices ~~was~~ essential. As reported earlier to you, Zaki Yamani stated that the Saudi position would be for no price increase. Prince Faisal reiterated this statement. Each hedged to the extent of saying that it would be an OPEC decision.

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DECLASSIFIED

E.O. 12356, Sec. 3.4

PER 41412 SHK HX RE WMP-MC-91-91

BY Shk NARS, DATE 5/1/82

JOHN C. WEST
AMERICAN EMBASSY
APO NEW YORK 09697

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AMERICAN EMBASSY
APO NEW YORK 09697

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JOHN C. WEST
 AMERICAN EMBASSY
 APO NEW YORK 09697

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JOHN C. WEST
AMERICAN EMBASSY
APO NEW YORK 09697

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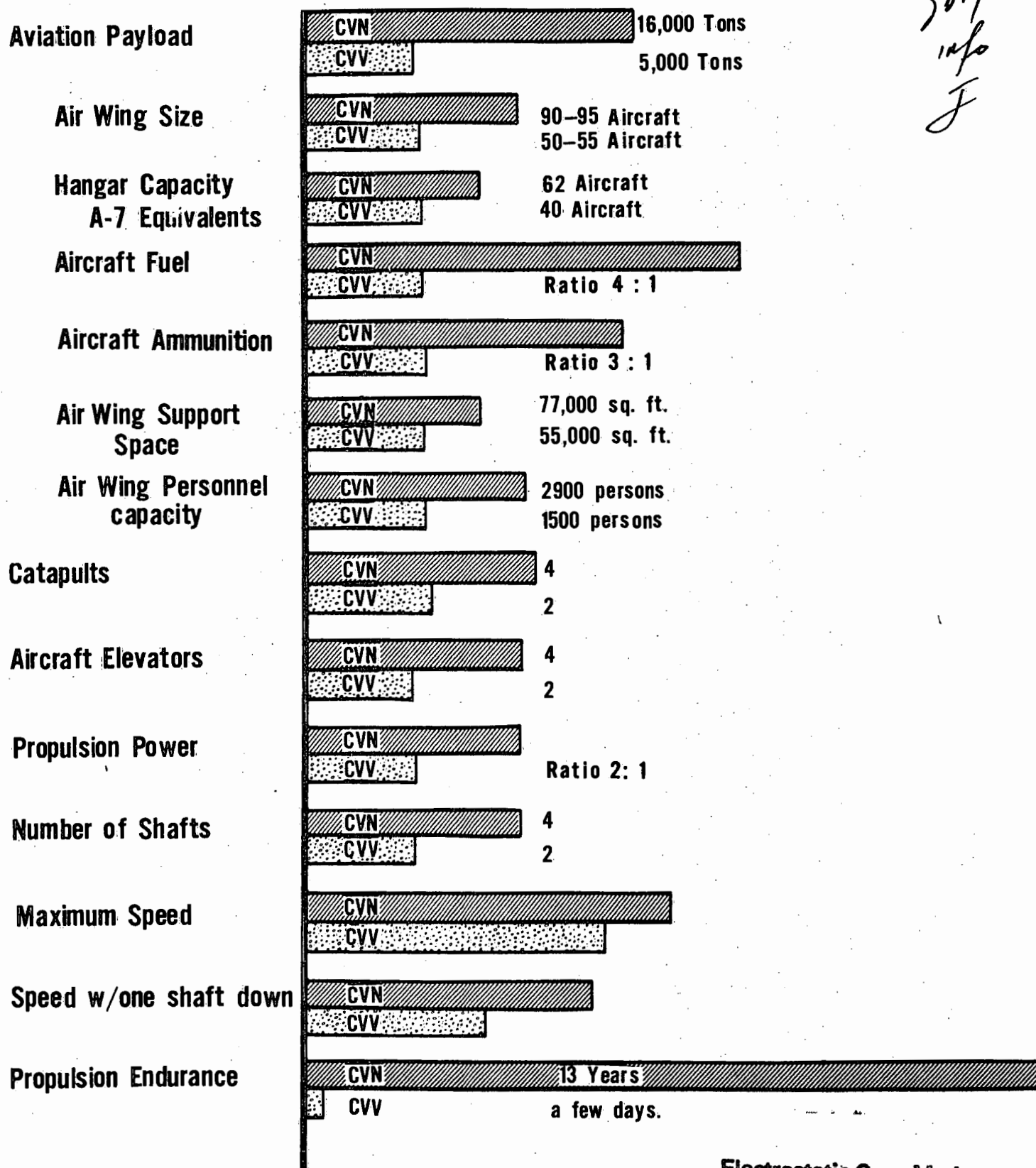
I expect to have a private meeting with Yammari to explore the oil question in depth in the next few days. I'll write you if anything worthwhile comes out of it.

Faithfully,
Joc

Comparison of CVV and CVN 71 Military Characteristics

6 CVN's
enough

3619
info
J



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EISENHOWER TRIP

18 November 1977

The USS DWIGHT D. EISENHOWER (CVN69) is presently scheduled to conduct flight operations in the Roosevelt Roads Operating Area in the following periods:

2-8 December
8-20 January
23-27 January
18 February - 4 March

In the Roosevelt Roads area guests can be flown on and off the ship by COD aircraft or helicopter from San Juan or the Naval Air Station Roosevelt Roads.

The ship is scheduled to conduct Carrier Qualifications in the Jacksonville Operating Area in the period 7-15 March. Guests can be flown from Mayport or Jacksonville.

*Zbig -
Invitation from
Hickover. assess
J*

THE WHITE HOUSE
WASHINGTON

November 18, 1977

Tim Kraft

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hytcheson

cc: Stu Eizenstat

RE: LIGHT WATER BREEDER REACTOR
AT SHIPPINGPORT - 12/2/77

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS BEEN.

SHIPPINGPORT

18 November 1977

*Tim - Set up
for 12/2
J*

The Light Water Breeder Reactor at Shippingport is ready to be turned over for unrestricted use on the Duquesne Light Company electric power grid at such time as a ceremonial event can be scheduled. Since December 2, 1977 is the thirty-fifth anniversary of Fermi's initial chain reaction and the twentieth anniversary of the initial criticality of the Shippingport reactor, it would be an appropriate date. However, any date can be accommodated.

An appropriate ceremony might be for the President to direct from the White House an increase in power of the reactor from 90% to 100% in increments, and then announce that the reactor is available for unrestricted use on the commercial power grid. This would take about 10 minutes of the President's time while his orders were being carried out to adjust the reactor to 100% power.

The telephone company has the equipment in hand which would allow the President to write by hand on a blackboard type device his orders for power changes which will automatically read out on a television screen in the Shippingport control room. Two meters have been mounted side by side in the Shippingport control room such that they could be picked up on a TV scanner. One meter reads the electrical output of the Shippingport generator and the other meter reads percent rated reactor power. Thus, as the turbine generator throttles are opened to increase power and the reactor controls are adjusted to match the power demand the TV camera could pick up the meters showing the power increasing.

It is highly desirable to settle on a date and the general outline of the ceremony as soon as possible so that appropriate arrangements can be set up.

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THE WHITE HOUSE
WASHINGTON

November 18, 1977

Hamilton Jordan

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Jim Gammill

RE: MAUREENE DEES - NATIONAL
COUNCIL ON THE ARTS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
/		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
/	KING 56

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 18, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *H.J.*
SUBJECT: Maureene Dees - National Council on
the Arts

Last spring you approved the appointment of Maureene Dees to the National Council on the Arts to fill an unexpired term of approximately 1 year. Because of delays in getting her forms, etc., her nomination just recently went to the Hill and she had not yet been confirmed.

The law governing the Endowment provides that after a term is finished, the individual cannot be appointed again for a period of two years. This means Maureene would serve for only 10 months and could not be reappointed until two years had passed. In the meantime, two vacancies are available in January for full six-year terms.

We have not yet identified candidates for the January vacancies, and I recommend that you approve the withdrawal of Maureen's name for the current unexpired term and resubmit it for one of the six year terms in January.

APPROVE FULL 6 YEAR TERM ✓

LET IT REMAIN AS IS

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THE WHITE HOUSE

WASHINGTON

November 18, 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

HAMILTON JORDAN *H.J.*

SUBJECT:

Member, Federal Maritime Commission

As you recall, you have recently appointed Richard Daschbach and Thomas Moakley to the Federal Maritime Commission. There is one additional vacancy on this five member Board.

Leslie Kanuk, a Professor of Marketing at Baruch College in New York, would bring yet a third background to the Board. She combines an interesting set of experiences that gives her a thorough knowledge of all facets of the maritime industry and yet she has no obligation to any of the interests groups.

Dr. Kanuk has been active in maritime matters for the past eight years, first as a Professor at the Merchant Marine Academy, then on a contract basis for the Maritime Administration. Her surveys include marine manpower, comparative analysis of foreign and domestic steamship companies, attitudes and policies of domestic maritime consumers and management of seaports. Dr. Kanuk undertook these studies under contract for the government and has at no time been on the payroll of the industry.

With this third appointment you will have completely changed the face of the FMC from an agency that had been used as a political burial ground where morale and productivity was low and the industry had an unfair advantage to an independent agency where a majority of the Commissioners has indepth knowledge of all phases of the maritime industry. Your appointees are activists, dedicated to revitalizing the Commission and the industry.

Robert Blackwell, Assistant Secretary for Maritime Affairs at Commerce, and Richard Daschbach, Chairman of the Federal Maritime Commission endorse Leslie Kanuk.

RECOMMENDATION:

You appoint Dr. Leslie Kanuk to be a member of the Federal Maritime Commission.

✓ approve _____ disapprove

JC

LESLIE LAZAR KANUK, Ph.D.

EXPERIENCE:

1967 to Present	Deputy Chairman and Professor Department of Marketing Baruch College City University of New York
1967 to 1969	U.S. Army Signal School Adjunct Professor of Management Fort Monmouth, N.J.
1967 to 1971	Adjunct Professor of Management New York University
1966 to 1968	Acting Research Director Skill Achievement Institute, New York
1965 to 1966	Senior Research Associate Project Advance, New York City
1960 to 1965	Marketing and Management Vice President Miller-Kanuk Associates, New York

MARITIME-RELATED
EXPERIENCE:

1975 to Present	Maritime Transportation Research Board National Academy of Sciences Washington, D.C.
1970 to 1976	U.S. Maritime Administration
1970	National Maritime Research Center Research Consultant
1970 to 1971	U.S. Merchant Marine Academy Adjunct Professor of Management Department of Maritime Law and Economics

EDUCATION:

Ph.D.	The City University of New York
M.B.A.	Baruch College, CUNY
B.B.A.	The City College of New York

PERSONAL:

White
Female
Age 48
Democrat

Comments on Leslie Kanuk

Bob Blackwell, Assistant Secretary for Maritime Affairs,
Commerce

She has an impressive list of activities in the maritime area and is highly motivated. She understands the role of the Commission, is cool, and judicious. She combines the advantages of a thorough knowledge of the industry while owing no obligations to them. She brings a fresh and objective viewpoint.

Richard Daschbach, Chairman, Federal Maritime Commission

She has a thorough knowledge of the industry but from a different perspective than the other members there. She knows the human behavior side. Her depth of thinking on subjects generally impresses me. She would be a welcome addition.

Rear Admiral R.W. King, Executive Director, Maritime
Transportation Research Board

Mrs. Kanuk was selected for MTRB because of her knowledge of many aspects of the maritime industry. She is active, capable, and objective and I have found her to be quite reasonable in confrontation situations. She presents a good balance in that she has a good deal to say, yet she encourages others to participate. She is bright and articulate and would be a strong member on the Board.

Paul Richardson, President, National Maritime Council

I am impressed with her academic background. She is practical and business oriented, not an ivory tower academic. She is very bright, a good listener and gets along well with people. She has an open mind and would take an active role at a Commission that desperately needs revitalizing. Leslie would be a strong addition.

Mark Roberts, Economist (marine specialty), AFL-CIO

I serve with Leslie on the Maritime Transportation Research Board and think very highly of her. She is smart and knowledgeable in the maritime field. She expresses herself verbally and in writing extremely well. She is a good listener and encourages other people to contribute their thoughts. While her background is basically academic she is very much a part of the real world. She supports free trade but understands the need for a strong merchant marine. I would recommend her without reservation for any position in the field.

THE PRESIDENT HAS SEEN.

4:30 p.m.

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THE WHITE HOUSE
WASHINGTON

November 17, 1977

RECEPTION FOR GRASSROOTS SUPPORTERS OF PANAMA CANAL TREATIES

Friday, November 18, 1977
4:30pm (15 minutes)
East Room

From: Hamilton Jordan *H.J.*

I. PURPOSE

To thank participants for travelling to Washington to show their support for the Panama Canal Treaties and for the efforts they will undertake in their home states to build a bipartisan national consensus for ratification of the treaties.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: The Committee of Americans for the Canal Treaties (COACT), with whom you met exactly a month ago, has called together a bipartisan national organizing conference of citizens who support the Panama treaties. Over 1200 people from 48 states have travelled to Washington for a series of briefings and seminars on the treaties and how to build support for them at the local level. The day-long conference at the International Inn includes speeches by Vice President Mondale, Dr. Henry Kissinger and Sol Linowitz.

B. Participants: Invitations to the conference and this reception were extended to everyone who has attended a White House (or Denver) briefing on the treaties, all state presidents of major organizations which have endorsed the treaties (i.e. AFL-CIO, Jaycees) or whose national leadership supports the treaties (i.e. League of Women Voters, NEA), selected campaign supporters of you and former President Ford, and others recommended by Senators, Governors and Mayors. (A list of Senators, Governors and Mayors in attendance will be provided to you in the afternoon.)

- C. Press Plan: Press will not be admitted to the reception. Photographers from the Committee will attend.

III. TALKING POINTS

- A. Because this group has received an earlier briefing on the treaties which was similar to those we have held at the White House, your usual comments are appropriate.
- B. The conference has been much more successful than anyone expected. There will be about 1200 attendees instead of the 700-800 the Committee expected. The large turnout may present some logistical problems, and some members of the audience will probably have to listen to your talk from other rooms in the White House. You should acknowledge the success of the conference and thank Averell Harriman, Sen. Hugh Scott, Jack Marsh and Lee Kling.
- C. You may want to point out that the opponents of the Panama Canal Treaties are using them as a tool for fundraising and for short-term political gain. You should acknowledge the bipartisan nature of the group and stress the need for bipartisan support.
- D. You should stress that people support the treaties when they know the facts. The job at the State level is to get the facts out.

4:30 PM

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

FOR THE PRESIDENT

FROM GRETCHEN POSTON

DATE: 16 November 1977

SUBJECT: RECEPTION - NAT'L PANAMA CANAL CITIZENS COMMITTEE
18 November 1977

Please find attached the scenario for the function indicated above.

A copy is being provided for Mrs. Carter.

Poston Scenario

**Electrostatic Copy Made
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THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM GRETCHEN POSTON *gp*

DATE: 16 November 1977

SUBJECT: RECEPTION - NAT'L PANAMA CANAL CITIZENS COMMITTEE
18 November 1977 - 4:00-5:00 P.M.
State Floor - 800+ guests

SCENARIO

4:00 P.M. Guests arrive Southeast Gate and proceed via Diplomatic Reception Room to State Floor.

Punch and cookies being served in East and State Dining Rooms.

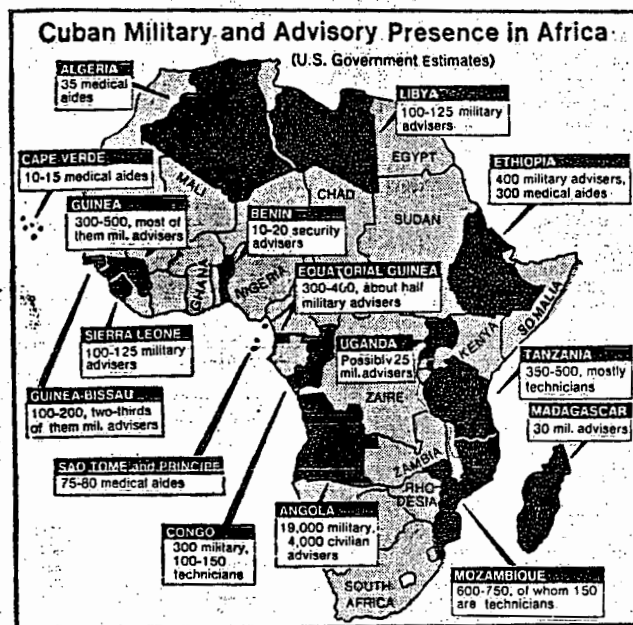
4:30 P.M. The PRESIDENT arrives State Floor and proceeds to East Room - to platform in front of curtain on east wall - for remarks.

(Remarks to be audible in all areas on State Floor.)

4:45 P.M. The PRESIDENT departs State Floor.

5:00 P.M. All guests depart building via Diplomatic Entrance and Southwest Gate.

THE PRESIDENT HAS SEEN



The New York Times/Nov. 17, 1977

Besides the 400 to 500 Cubans aiding Congo, a few hundred are said to be based there for action in Angola. Cuba has diplomatic ties with 33 African lands, embassies in 19. Somalia broke ties to Cuba Sunday.

U.S. Sees Cuba's African Buildup Blocking Efforts to Improve Ties

By HEDRICK SMITH
Special to The New York Times

WASHINGTON, Nov. 16—The Carter White House is seriously disturbed by the steadily expanding Cuban military presence in Angola, Ethiopia and other African countries and sees no possibility of re-establishing full diplomatic relations with Havana under these circumstances, high-ranking Administration officials said today.

The officials, disclosing new evidence of several hundred Cuban military combat deaths in Angola, now interpret the Cuban buildup there and the Cuban military presence in 11 other African countries as a deliberate strategy by President Fidel Castro to intervene in Africa much as he promoted Cuban revolutionary intervention in Latin America in the early 1960's.

Comparison Drawn to Vietnam

By official American estimates, Cuba has sent 4,000 to 6,000 new troops into Angola since July, increasing the total there to roughly 19,000 military personnel and 4,000 civilian advisers.

A top Administration official said that proportionate to the Cuban population, the Cuban presence in Angola was now comparable to the American involvement in Vietnam "at the high watermark."

The White House is also known to be concerned that Cuba's involvement in Angola and elsewhere may be at the encouragement of Moscow. The Soviet Union itself has raised worries among high American officials by pledging more than \$800 million in military aid to Ethiopia, including some highly sophisticated jet aircraft and other equipment scheduled for delivery in the next six weeks.

According to Administration officials, the United States has informed the Cuban Government of its displeasure through diplomatic channels and will probably voice its concern to Moscow about its arms deliveries to Ethiopia as a development running counter to the general trend of improving Soviet-American relations.

To the disappointment of the Carter Administration, which set out early to try to re-establish diplomatic ties with Havana, broken in 1961, the Cuban buildup in Angola also runs counter to the word privately passed by the Cubans last spring that President Castro intended to reduce the Cuban military presence there.

Speaking at the Agriculture Department on Feb. 16, President Carter virtually made some Cuban disengagement from Angola a precondition for normal ties with Havana.

"If I can be convinced that Cuba wants to remove their aggravating influence from other countries in the hemisphere, will not participate in violence in nations across the ocean, will recommit the former relationship that existed in Cuba toward human rights," he said, "then I would be willing to move toward normalizing relationships with Cuba."

Last weekend the President expressed renewed concern, calling the Cuban in-

Continued on Page A11, Column 1

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CUBA'S AFRICAN ROLE BLOCKING TIES TO U.S.

Continued From Page A1

involvement in Angola and Ethiopia "a threat to the permanent peace in Africa." Today one Administration policy-maker went the additional step of saying that the current buildup made normalization of ties with Havana "impossible."

The Ford Administration also had a policy conflict with the Castro Government over Cuba's role in Angola. But the Carter Administration, which began optimistically, managed some improvement

in relations. Talks were held on fishing matters and the two countries exchanged a few diplomats working under the auspices of other diplomatic missions. This fall, the Cuban Government allowed 55 Americans to leave Cuba as a conciliatory gesture.

The full process of normalization of diplomatic ties was expected to be a much more complicated matter, given American claims of \$1.8 billion in compensation for the nationalization of American businesses and properties at the time of the Castro takeover in 1959. The Cubans made even larger counter-claims.

But the Administration remained relatively optimistic about improved relations. Then a steady military buildup in Africa this summer and fall persuaded

such top-level policy-makers as Zbigniew Brzezinski, the President's national security adviser, that the Cuban Government was not merely reacting to the instability of a friendly government in Angola but had embarked on a wider policy of establishing and protecting pro-Soviet and pro-Cuban governments in Africa.

American intelligence estimates now place the total Cuban involvement in Africa at roughly 26,000 men in 16 countries, including about 20,615 soldiers or military advisers. The rest are civilians.

Deaths Put at 500 to 1,000

Some American officials believe that the Castro Government may eventually reconsider its African policy because of casualties suffered in Angola and Ethiopia. Although American officials stress that they have no absolutely reliable fig-

ures, they estimate that Cuban combat deaths may number 500 to 1,000.

The estimate is based on reports of 200 Cuban military graves at a cemetery at Quifangondo near Luanda, the Angolan capital. A second Cuban military cemetery with another 200 graves has been sighted south of Luanda and there is a third in the city itself, officials said. They said the Cuban wounded were being treated in the Soviet Union and East Germany.

"Over-all, if you take the size of Cuba, this is a fairly sizable commitment," said one high official. "We have to be seriously disturbed by the implications of the growing military presence in Africa and raise a warning flag about it."

Some American officials suspect that Moscow has encouraged Cuba to provide pilots, tank drivers, military technicians and advisers in Angola, Ethiopia and else-

where to spare the Russians having to take a visible role themselves and risk frictions with Washington.

But the White House is known to be concerned that in the last year the Soviet Union and other Communist countries have pledged more than \$850 million in military aid to Ethiopia—nearly twice the amount that the United States provided over a 25-year period ended earlier this year.

Of particular concern, officials said, is a Soviet pledge to provide \$160 million worth of equipment for the Ethiopian Army late this year for its campaign against Somalia. Included in this pledge, officials said, are 48 MIG-21 fighters, 12 advanced MIG-23 fighters, 140 T-55 tanks, 2,000 jeeps and trucks, 12 MI helicopters, both 57-millimeter and 120-millimeter artillery pieces and armored cars. Because so much of this military equip-

ment is technologically advanced and unfamiliar to the Ethiopian Army, long equipped by the United States, American officials believe that the Cubans will be asked to man it and take an active part in the war with Somalia. Washington estimates that there are already 400 Cuban soldiers in Ethiopia.

Meteosat Launching Rescheduled

CAPE CANAVERAL, Fla., Nov. 16 (AP)

United States space agency officials have rescheduled the launching of Meteosat, the European Space Agency's first weather satellite, for Sunday at 8:35 P.M. The launching was postponed from Nov. 17 when a leaking propellant valve was found in the second stage of the rocket. The satellite will provide Europe with weather photos and information every 30 minutes, and perhaps more accurate long-range weather forecasts.

MEMORANDUM

THE PRESIDENT HAS SEEN.

6:00 P.M.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON

DATE: 16 November 1977

SUBJECT: A.F.I. RECEPTION - 17 November 1977

Please find attached the scenario for the function indicated above.

Attachment

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER

FROM GRETCHEN POSTON *GP*

DATE: 16 November 1977

SUBJECT: RECEPTION - AMERICAN FILM INSTITUTE
17 November 1977 - 6:00-8:00 P.M.
State Floor - 650 guests

SCENARIO

6:00 P.M. All guests enter Southwest Gate to Diplomatic Entrance.

(Press pool in cross hall, ground floor.)
(Coat check in China and Map Rooms.)

All guests proceed to East Room.

(U.S.M.C. Orchestra in Main Hall.)
(CBS camera crew - filming for A.F.I. in position in
Main Hall, facing Blue Room.)

6:10 P.M. The PRESIDENT and MRS. CARTER arrive State Floor, take positions in front of Blue Room, below Great Seal, for receiving line.

20-minute receiving line for CBS filming.

6:30 P.M. The PRESIDENT and MRS. CARTER depart Blue Room to East Room via main door to platform at foot of curtain on east wall.

(CBS film crew on platform by main door.)
(Press pool on riser at north wall.)

The PRESIDENT'S remarks.

Mix-and-mingle.

Wine and hors d'oeuvres served in East and State Dining Rooms.

7:30 P.M. The PRESIDENT and MRS. CARTER depart State Floor for living quarters.

8:00 P.M. All guests depart White House.

NOTE: A.F.I.-chartered Greyhound buses will clear the Southwest Gate at 7:15 P.M. to begin transport of A.F.I. guests to Kennedy Center. Loading will begin at 7:30 P.M.

THE WHITE HOUSE
WASHINGTON

November 18, 1977

Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been sent to Stripping for mailing.

Rick Hutcheson

cc: Stripping

LETTER TO J.NICKOLL ON ANATOLY
SHARANSKY

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
✓	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING


	KRAFT
✓	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE

WASHINGTON

November 17, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Robert J. Lipshutz 
SUBJECT: Letter from John F. Nickoll
Re: Anatoly Sharansky

At your request, I have prepared the attached for your signature. The National Security Council has seen and cleared the language in the letter.

THE WHITE HOUSE

WASHINGTON

November 16, 1977

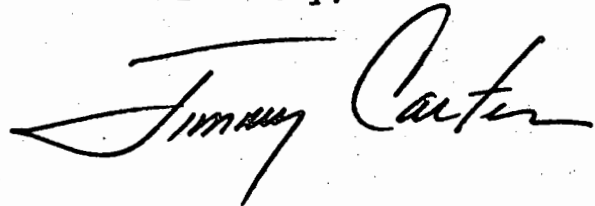
To John Nickoll

Thank you for your letter expressing concern about Anatoly Sharansky.

As you know, on June 13 I stated publicly that the allegations in the Soviet press were untrue concerning a CIA connection with Mr. Sharansky. Since then, my Administration has made several representations to the Soviet Government about Mr. Sharansky. The Secretary of State and I have personally raised this issue on several occasions.

I share your deep concern for Anatoly Sharansky, and want you to know that this concern has been and will continue to be communicated to the Soviet Government.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with the first name "Jimmy" and the last name "Carter" clearly distinguishable.

Mr. John F. Nickoll
President
The Foothill Group, Inc.
2049 Century Park East
Los Angeles, California 90067

THE WHITE HOUSE
WASHINGTON

November 18, 1977

Frank Moore

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

RE: Utility Rate Reform Conference

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
		MONDALE
		COSTANZA
		EIZENSTAT
		JORDAN
		LIPSHUTZ
✓		MOORE
		POWELL
		WATSON
		LANCE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

November 17, 1977

C
/

MEMORANDUM TO THE PRESIDENT

FROM: FRANK MOORE
BOB THOMSON Bob
JIM FREE

SUBJECT: UTILITY RATE REFORM CONFERENCE

The conferees completed work on the retail rate provisions of the utility rate reform bill today, slightly weakening the rights of consumers and DOE to intervene in and appeal state utility commission rate determinations. As approved, the compromise provides that Federal rate standards shall be considered by the states and adopted at their discretion. ?

The House conferees have announced a victory, even though they abandoned our position on mandatory Federal standards. Congressmen Moffett and Dingell claim the provision allowing consumers to intervene is a giant step forward. DOE is pleased that its right to intervene in and appeal state rate decisions has been clearly established for the first time. The consumer groups are ecstatic that we held firm on mandatory criteria, making that a credible alternative. As a result, the compromise which eventually emerged contained many consumer rights provisions that the consumer groups never expected to get out of conference. All of these factors take some of the sting out of our defeat yesterday.

The conference will meet tomorrow until early afternoon and then adjourn. Chairman Staggers has announced it will not meet at all next week. The Monday after Thanksgiving, the conference will again meet to finish the remaining portions of the bill.

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THE PRESIDENT HAS SEEN.

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

November 17⁸, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*

Subject: Revised Third Quarter GNP

The Department of Commerce released yesterday its revised estimates for GNP in the third quarter. This is a normal revision of the kind that regularly occurs as new data become available.

Real GNP last quarter is now estimated to have risen at a 4.7 percent annual rate, as compared with the original estimate of 3.8 percent. Unfortunately, however, this is not particularly good news.

- . The principal source of the upward revision was in the rate of inventory investment. This means that ratios of inventories to sales rose somewhat more during the quarter than we had realized, and that will tend to dampen the rise of production during the current quarter.
- . The other important element in the revision was in exports, which rose more sharply in September than Commerce had expected. The September jump in exports may partly reflect efforts to beat the dock strike. In any case, we cannot count on growth of exports to be an important source of stimulus in the near future.

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THE PRESIDENT HAS SEEN.

9:15 AM

THE WHITE HOUSE

WASHINGTON

November 17, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Peter Bourne **P.B.**

SUBJECT: Meeting with Dr. Halfdan Mahler, Friday
November 18, 1977, 9:15 a.m., Oval Office.

I. Purpose

This meeting will reaffirm in a very visible and symbolic way your commitment to the U.N. Specialized Agencies, at a time when there is great insecurity because of the ILO withdrawal.

To specifically boost Dr. Mahler and WHO, because he is by far the most dynamic and competent of the Specialized Agency Directors and because the health area probably offers us the best potential to concretize your commitment to global human needs.

II. Participants, Background, Press

a. Participants

Dr. Halfdan Mahler, Director-General, World Health Organization, Warren Furth, Deputy Director-General for Administration, World Health Organization, Peter Bourne.

b. Background

The World Health Organization is the largest of the U.N. Specialized Agencies. 1977 income from all sources is about \$280 million, the assessed portion was \$147 million of which the United States contributed 25 per cent. This budget has grown least rapidly of all U.N. agencies because of Dr. Mahler's sensitivity to donor countries concerns and his emphasis on attracting voluntary contributions for new initiatives. WHO is revising programs pursuant to the World Health Assembly directive to spend 60% of resources on needs of developing countries. It is emphasizing coordination, helping developing countries to plan for health within national development programs. Specific priority is given to basic health care and simplified technology.

MEMORANDUM FOR THE PRESIDENT
FROM: Peter Bourne

At a recent Cabinet meeting Andy Young described Dr. Mahler a Danish National and son of a minister as "a saint", a view that I share. More than anyone I have met he understands the importance of a global human needs strategy, the manner in which it can be made a reality, the role of the United States, and the crucial nature of your leadership on this issue in the broad sweep of history. This is the first meeting between a United States President and the Director General of WHO in 13 years.

III. Talking Points

Congratulate Dr. Mahler on the success of the small-pox eradication program. (There were no new smallpox cases in the world last week). See attached review of this issue.

Reaffirm our commitment to support WHO. Especially we will support (1) their expanded world-wide immunization program in conjunction with our own domestic effort in this area. We are willing to share our technology and experience. (2) We will support both with budgetary allocation and the commitment of people their tropical disease research program, (3) We will support through C.D.C. the establishment of the global epidemic intelligence program, providing people to train epidemiologists from around the world in Geneva, (4) We would like to see a coordinated U.S./WHO effort to provide clear rural water supply.

We have completed a comprehensive review of the Federal government's involvement in international health. A 500 page report is now circulating among the agencies for comment. A related decision memorandum will come to you in the next few weeks. The U.S. spends approximately \$650 million on international health, through 22 separate agencies under more than 100 separate legislative authorities. There is little or no coordination. We plan to change this by establishing a planning and coordinating mechanism to use these resources most effectively.

We would like to establish a close working relationship with WHO to use U.S. resources in the most effective way. We plan a twice annual meeting of top officials of WHO and top officials involved in international health in the U.S. government, to coordinate our mutual efforts.

MEMORANDUM FOR THE PRESIDENT
FROM: Peter Bourne

Secretary Califano and Peter Bourne will be members of the U.S. delegation to the World Health Assembly next May. This will be a symbolic reflection of the high degree of importance you attach to international health.

Warren Furth who will accompany Dr. Mahler is Deputy Director-General and the highest ranking American in WHO.

PGB:ss

DR. HALFDAN MAHLER, DIRECTOR-GENERAL OF THE U.N. WORLD HEALTH
ORGANIZATION (WHO)

Dr. Halfdan T. Mahler, Director-General of the World Health Organization, provides that agency with a strong combination of technical and administrative skills needed to accomplish U.S. - supported organizational reforms and implement World Health Assembly policies.

Born in Denmark, he obtained his medical degree at the University of Copenhagen, holds a post-graduate degree in public health, and has specialized training in tuberculosis control. Shortly after graduation, Dr. Mahler entered international public health work. From 1950 to 1951, he acted as Planning Officer for a mass tuberculosis campaign in Ecuador. He joined the World Health Organization in 1951 and spent almost 10 years in India as Senior WHO Officer attached to the National Tuberculosis Programme. From 1962 to 1969 he was Chief of the Tuberculosis Unit at WHO Headquarters in Geneva and Secretary to the WHO Expert Advisory Panel on Tuberculosis. In 1969, he was appointed Director of WHO's Project Systems Analysis.

In September 1970, he was made Assistant Director-General of WHO responsible for the Division of Strengthening of Health Services and the Division of Family Health, while retaining the direction of Project Systems Analysis. In May 1973, while occupying that position, he was appointed Director-General of the World Health Organization by the Twenty-sixth World Health Assembly. He took up his duties as the Organization's third Director-General in July 1973.

Dr. Mahler is a recognized expert in epidemiology and tuberculosis, experience of great importance in world health. He is a strong idealist who has not hesitated to express opinions even though they may be controversial, particularly his reservations about his own profession. He is an activist who has endorsed the cause of the poor countries in the developing world to give them more influence in WHO. By his strong support of policies favoring decentralization, the organization increased the proportion of staff and programs in the field and regional offices. As a result, he has gained wide support from member countries, especially those in Africa and Asia.

Streamlining of WHO operations has long been a reform supported by the U.S. Progress toward a more efficient headquarters system of offices has been accomplished during Mahler's directorate. Furthermore, having come up through the ranks of WHO, he has a strong field orientation and understanding of operational problems. He is looked on as an innovative professional with demonstrated ability and leadership. I can personally attest to his intellect and vision.

SMALLPOX

In May 1966 the WHO World Health Assembly voted to launch a program to eradicate smallpox from the world by 1977. The resolution requested that the infected countries intensify their programs and that the smallpox free countries provide assistance to the infected countries.

In response to this request, the United States agreed to provide assistance to 19 countries of West and Central Africa. The Center for Disease Control through a PASA with AID provided technical and material assistance which succeeded in eliminating smallpox from the project area by 1970. The West African Program was significant in its ability to deliver services to each village, to administer over 150 million smallpox vaccinations and over 28 million measles immunizations over a 5-year period, and in evolving a strategy of surveillance and containment which proved the base for the global smallpox eradication program.

Over the 10 years of the program, the CDC has provided more than 400 person years to the WHO global program. Dr. D. A. Henderson, seconded to WHO from CDC, was the Director of WHO's Smallpox Program for 9 years. Dr. W. H. Foegel, Director, CDC, served the program both in West Africa and India.

As of November 17, 1977, the only known smallpox infected area in the world is the Ogaden desert area of the Horn of Africa. WHO assistance which includes 6 U.S. on-site assignees is currently intensely searching for undetected foci. The last known case occurred in Merca, Lower Shebelli on October 27, 1977. Although certification of a smallpox free status will require 2 years of intensive surveillance, worldwide smallpox eradication appears imminent.

The WHO program has coordinated inputs of east and west and developed and developing countries into man's first success in eradicating a disease. In achieving global smallpox eradication, a major cause of human death and suffering throughout the world will have been removed.

The United States through bilateral, multilateral, and direct WHO assistance has contributed significantly to the success of the global program, and in doing so, the benefits in terms of reduction in costs for quarantine programs, vaccination, and vaccination complications, return every 3-4 months the estimated total U.S. investment of \$25 million.

TROPICAL DISEASE RESEARCH INITIATIVE

The WHO has initiated a special program for research and training on tropical diseases. In much of the developing world, parasitic diseases and leprosy continue to overwhelm the health of the people, reducing productivity and causing human suffering. Six diseases have been designated as the primary focus of the initiative--schistosomiasis (a disease resulting from water exposure, which is not reversible by treatment); filariasis (a fly and mosquito-borne infection, of which onchocerciasis, or river blindness, is most important for human health); malaria (one of the world's greatest killers); trypanosomiasis (a tsetse-fly-borne disease known also as sleeping sickness, when the parasite has affected the nervous system); leishmaniasis (a chronic ulcerative skin condition); and leprosy (still a major problem in the tropics). The purpose of the initiative is to assemble local research talent in developing country settings, supported by experienced researchers from other parts of the world. The Public Health Service can provide epidemiologic expertise to help WHO-sponsored centers develop knowledge and methods for better control of these diseases.

EXPANDED PROGRAM OF IMMUNIZATION

The World Health Organization's Expanded Program of Immunization promotes the implementation of comprehensive childhood immunization programs (e.g., neonatal tetanus, polio, measles, diphtheria, pertussis) in developing countries.

The Public Health Service through CDC supports this effort by contributing scientific, technical, and operational knowledge and skill acquired in conducting successful past international immunization efforts (e.g., smallpox eradication). The U.S. has assigned an epidemiologist to WHO to direct the global effort.

Training is a primary mechanism for providing this support. The U.S. assisted WHO in implementing the first training course in planning and managing expanded immunization programs. The course was held in Kuala Lumpur, Malaysia, October 24 - November 4, 1977, for the Western Pacific and Southeast Asia regions of WHO. Eight additional requests for support in conducting this course throughout the world in the next 14 months will be met. In addition, CDC will provide field personnel, as requested, to assist in demonstration-training areas in various parts of the world,

GLOBAL EIS (EPIDEMIC INTELLIGENCE SERVICE) INITIATIVE

The Center for Disease Control, through its Epidemic Intelligence Service (EIS), has long served the U.S public health community as a major source of epidemiologic assistance. The young physicians and other health workers who serve in the EIS provide the skills and knowledge to help States develop epidemiologically-directed control measures for dealing with outbreaks of disease and community hazards. Using principles and methods developed in our domestic program, the CDC could assist WHO in establishing a Global EIS: a program (1) for training and direction of a cadre of health professionals (physicians and field development officers from developing countries) specializing in disease surveillance and epidemiologic investigation; and (2) establishment of epidemiologic services within individual countries. Initially, CDC-assigned epidemiologists would work with the persons trained in the WHO program, with WHO and the countries assuming full support of the program in five years. The goal of a Global EIS will be improved disease intelligence in developing countries, reflected in more sensitive and specific disease data and more effective response to the problems identified.

COLLABORATIVE US - WHO WORLD WATER SUPPLY INITIATIVE

High infant mortality and the significant morbidity from diarrheal diseases in developing countries are directly or indirectly related to lack of water or to water of compromised quality. Moreover, up to 30 percent or more of working-age adults in some African and Indian villages are incapacitated for up to 3 months during the critical planting season because of a painful additional hazard of contaminated drinking water in those areas, guinea worm disease (Dracunculiasis). The United Nations Conference on Human Settlements set a target of providing safe water and sanitary waste disposal for all by 1990, but the cost of current technologies makes that an enormously expensive proposition. The World Bank and others have concentrated on urban water supplies. It would be appropriate for the United States to work with WHO on safe water for residents of rural areas.

Comparatively small expenditures and cooperative efforts could quickly have useful results. For example, Peace Corps volunteers are helping villagers in West Africa erect easily maintained wells made mostly of locally available materials. These people often recognize their problem and are willing to make great sacrifices to solve it. Assistance could be provided for a collaborative WHO program by Peace Corps volunteers, with public health support and back-up which CDC has the expertise to provide. The purpose of the program would be to assist in the development of intermediate technology solutions which rural people in less developed countries could implement.



PRESIDENT'S
REORGANIZATION
PROJECT

WASHINGTON, D.C. 20503

THE PRESIDENT HAS SEEN.

MEETING ON REORGANIZATION

Friday, November 18, 1977

10:00 a.m. (45 minutes)

The Cabinet Room

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for Preservation Purposes

FROM: Jim McIntyre

Jim McIntyre

I. PURPOSE

To present issues and recommendations on the civil rights and civil service reorganization projects. To request decisions on the civil rights reorganization and guidance on the civil service reorganization. Supporting materials were transmitted Wednesday, November 16.

II. PARTICIPANTS

A. Executive Committee

The Vice President (represented by Jim Dyke)
Alan Campbell
Charles Schultze
Dick Pettigrew
Jim McIntyre

B. White House Staff

Hamilton Jordon	Jack Watson
Jody Powell	Frank Moore
Stu Eizenstat	Doug Huron

C. OMB

Harrison Wellford	Jim Morrison
Wayne Granquist	Jeff Miller
Peter Szanton	Peter Petkas
Howard Messner	Katie Beardsley
Howard Glickstein	Terry Straub

Per [unclear]

D. Other

Jule Sugarman

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

November 15, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: Ray Marshall *Ray*
Secretary of Labor

SUBJECT: Report on Reorganization of the Federal Personnel System

Last week I had the chance to read and evaluate the report prepared by Scotty Campbell on the "Reorganization of the Federal Personnel System." I have also discussed the report with him.

I think that many of the proposed changes are long overdue and if implemented may be one of the most important steps that can be taken to improve the Federal government. I believe that we must also work vigorously to build support for these proposals. Since the report makes substantial changes in the Federal personnel system and the veterans preference program, it is necessary that we get as much support as we can from unions and veterans organizations before releasing the report.

Scotty and I have agreed to work together in contacting union officials, both private and public sector, in order to fully discuss the report with them and solicit their support. Yesterday we began this process of consultation.

THE WHITE HOUSE
WASHINGTON

November 16, 1977

Stu Eizenstat
Jack Watson
Richard Pettigrew
Jim McIntyre

The attached is forwarded to
you for your information.

Rick Hutcheson

REPORT ON REORGANIZATION OF THE
FEDERAL PERSONNEL SYSTEM



PRESIDENT'S
REORGANIZATION
PROJECT

WASHINGTON, D.C. 20503

C

NOV 16 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

Jim McIntyre

Jim McIntyre

SUBJECT:

Reorganization Meeting: Friday, November 18

The attached materials provide background for our meeting on Friday. We hope to cover the results of both our civil rights and civil service reorganization projects.

The civil rights material includes a decision memorandum and covering summary. At the meeting, we would like to obtain your decision on this package.

The civil service material is a short summary of our recommendations. At the meeting, we seek your guidance on next steps.

Attachment

**Electrostatic Copy Made
for Preservation Purposes**



PRESIDENT'S
REORGANIZATION
PROJECT

WASHINGTON, D.C. 20503

NOV 16 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JIM MCINTYRE *Jim McIntyre*
ALAN CAMPBELL

SUBJECT: Civil Service Reform

This memorandum sketches the components of a comprehensive program to reform the civil service system, which is scheduled for discussion in the Reorganization Project briefing on Friday, November 18, at 10:00 a.m. This program is the result of a major study--just completed--using outstanding civil servants, political appointees, and outside advisors. Following are the main elements of our proposal.

The Problems

We have identified key obstacles to improved performance by Federal managers and employees. We have found that:

- ° The simple concept of a "merit system" has grown into a tangled web of incredibly complicated regulations that seriously weaken Federal managers' ability to hire, fire and reward employees -- in short, to manage.
- ° Ironically, the rigid current system has not protected the civil service from political abuse. Legitimate grievances are lost in a maze of time consuming processes which are not responsive to the concerns of Federal employees.
- ° The effectiveness of the Civil Service Commission has been seriously impaired because of its conflicting roles as rulemaker, prosecutor, judge, supplier of services, and management advisor.
- ° The majority of the public believes that their civil service is not performing well. As the recent Caddell poll pointed out, 63% of the public believes that Federal employees do not work as hard as their private counterparts. This perception makes it difficult to

restore public confidence in the government and to rekindle the pride of public servants. Continuing public concern about the efficiency of civil servants ties closely to your campaign commitments to reorganize the "unresponsive" bureaucracy.

Themes for Reforms

A number of themes for civil service reform have emerged from our study. We need to:

1. Provide employee incentives to improve their efficiency and responsiveness to public needs. The elements are:
 - ° A Senior Executive Service - At the very top of the Federal career civil service, there are 9,000 senior managers in grades GS-16 through 18 and certain Executive Levels IV and V. They are the employees who direct major initiatives -- such as the critical environmental control programs and community development projects. Under the current system, the tenure, rights and even, in some cases, salaries of these executives are identical to those of the rank and file. The Senior Executive Service we propose would create a separate system for those executives. It would grant authority to agency heads to award bonuses for superior performance (up to 20% of salary); to transfer executives in accordance with program needs; to return these managers from the executive service to the GS-15 level of the civil service for inadequate performance. The service would be comprised of 85% career employees, chosen on merit by an independent selection board, and 15% political appointees. This ratio, which reflects recent and current experience, would be established by the proposed legislation and would serve as a protection to career employees and allay fears of "politicization." Overall, the proposal would provide cabinet and agency heads with the flexibility and incentives they need to ensure responsiveness and effectiveness in carrying out national goals.
 - ° Incentive Awards - Federal employees receive pay raises under the current system as a result of promotions, annual comparability surveys (like the recent 7.05% increase), and longevity. We propose that the present almost automatic step increases within civil service grades GS-9 through GS-15 -- the middle management levels -- be reduced and stretched over time.

The funds thus provided would be used to provide one-time bonuses up to 15% of salary to employees demonstrating documented, superior performance. This concept was tested in the recent Cadell Poll, when 62% of the public favored bonuses for employees who found ways to save money.

- Disciplinary system - The present process for removing employees for poor performance can take years of struggle. Less than 200 employees were removed last year for poor performance. We propose to allow managers to remove exceptionally poor performers after 90 days based on decisions by three supervisors, due notice and a chance to improve. Employees could appeal these actions to the proposed Merit Systems Protection Board on grounds of procedural inadequacy, harassment, discrimination, or political influence.
- 2. Restructure institutions and procedures to assure employees and the public against abuses of official power; the elements are:
 - Changed organizations - To overcome the problem of conflicting roles and lack of creditability, we propose to abolish the Civil Service Commission. We would (1) establish an Office of Personnel Management with a single Director to provide leadership in positive personnel activities, and (2) establish an independent Merit Systems Protection Board to investigate abuses of civil service laws and hear appeals.
 - Labor Relations - The status of Federal unions is now controlled by an Executive Order first issued by President Kennedy in 1962. For many years, the unions have sought to establish a legislative basis for labor-management relations -- including a "mini-NLRB." They have also sought the Federal equivalent of union shops and mandatory dues check-off. Our recommendations would establish a neutral Federal Labor Relations Board to assume functions now split between a management dominated council and the Department of Labor. This will help gain union support for the overall reform recommendations. They may continue to oppose the changes we envision, however, unless further concessions are made.

3. Eliminate unnecessary cost, delay, and red tape from personnel administration in the Federal Government;
The elements are:

- ° Modified Veterans Preference - Veterans who entered the service prior to October 1976, now have preference in hiring and reductions-in-force situations. The preference legislation includes provisions that permit only the top three qualified applicants to be submitted to a prospective Federal employer for consideration--and an employer may not "pass over" a veteran. Because of the bonus points awarded, the tops of applicant lists contain, for the most part, only veterans. The rules unduly restrict selecting the best qualified prospects and especially impair achieving goals for equal employment for women. Our proposal would not change in any way the preferences of disabled veterans. It would, however, provide incremental changes in the Veterans Preference Act to (1) eliminate preference for retired military officers who have had a full military career; (2) limit veterans preference to ten years after service; and (3) remove the "rule of three" and reduction-in-force protections for all veterans except those disabled.
- ° Decentralized authorities - Currently, most personnel decisions are centralized with the Civil Service Commission. We propose to decentralize, to the maximum extent possible administratively, those personnel decisions that are best made at the agency level. A concept of performance contracts and strict audits by the central personnel agency will be employed to assure consistency and quality.

Next Steps

At our meeting, we would like your guidance as to how we should proceed in consultation with congressional staff and affected interest groups. With your approval, we will develop a detailed memorandum outlining a comprehensive program, including administrative, reorganization plan and legislative proposals. We have briefed the White House staff and department and agency heads on these recommendations. They believe this is an important initiative and support the proposals, while pointing out the sensitive political considerations involved.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: THE PRESIDENT

FROM : James T. McIntyre, Jr.

SUBJECT : Reorganization of Equal Employment
Opportunity Laws and Programs

Attached is a memorandum describing the principal problems resulting from the present organization of our equal employment laws and programs and making specific recommendations for dealing with these problems. This memorandum is based on an intensive study by a Task Force composed of individuals broadly experienced in the field of equal employment opportunity. A wide array of options was explored and three alternative courses of action were identified. After extensive analysis, the Task Force concluded that only one of these alternatives had a realistic chance of success. We discuss all the alternatives in the attached memorandum but address ourselves primarily to the alternative recommended by the Task Force. We offer a series of recommendations for implementing the proposed alternative. The indepth analysis on which our conclusions are based will be provided to you upon request.

If you approve the proposed reorganization plan, I recommend that its announcement be given great prominence. We have discussed this with Hamilton and he agrees. This plan has great significance to the civil rights community. We propose that you use its announcement as an occasion to make a forceful statement of your views on civil rights enforcement and to pledge your continued support to ensure that the equal employment effort is effective. We are prepared to arrange a gathering at the White House of major government officials, members of Congress and a cross-section of civil rights, business and labor leaders who would be advised of your decisions immediately before you publicly announce them at a press conference. We believe that an announcement in this context would have

a wide impact and give strong impetus to the civil rights enforcement effort. The announcement ceremony can be arranged within a week after your decision.

For your convenience, we have attached a summary of the principal memorandum.

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I. EXECUTIVE SUMMARY

EQUAL EMPLOYMENT OPPORTUNITY REORGANIZATION

Executive Summary

The equal employment opportunity reorganization recommendations in the attached paper complete Phase I of the civil rights reorganization project. Phases II and III, to be finished next year, will cover housing, education and amendments to the substance of civil rights legislation.

The organizational weaknesses in the equal employment area are well known. Civil rights groups, businessmen and labor can agree on the problems. Building consensus for solutions is more difficult and it is this task that has consumed the bulk of our time. We believe that this package can both solve problems and generate sufficient support to become law.

The Programs

There are almost 40 separate equal employment opportunity requirements currently applicable to employers in the private and public sectors. Although over 18 Federal agencies administer them, four agencies are particularly important:

- (1) The Equal Employment Opportunity Commission (EEOC) administers Title VII of the Civil Rights Act of 1964, a broad prohibition against discrimination in employment on the basis of race, color, religion, sex, or national origin. It may investigate, conciliate, and litigate complaints (except for litigation against State and local governments).
- (2) The Labor Department is responsible for overseeing the government-wide contract compliance program which is administered by 11 Federal agencies. The program prohibits discrimination by government contractors on the basis of race, color, religion, national origin, or sex. It also is responsible for administering requirements that affirmative action be taken to hire Viet Nam veterans and handicapped. Finally, Labor administers the Equal Pay Act (prohibiting employers from paying unequal wages to men and women doing the same work) and the Age Discrimination Act.

- (3) The Justice Department's major responsibilities are to handle Title VII litigation against State and local governments and Labor Department contract compliance cases.
- (4) The Civil Service Commission is responsible for enforcement of nondiscrimination and affirmative action in the Federal Government.

The Problem

Seven problems are most often cited:

- (1) Overlapping programs with inconsistent standards of compliance. A major area of overlap in jurisdiction is between EEOC and the Office of Federal Contract Compliance Programs (OFCCP) in Labor.
- (2) Inconsistent investigative and enforcement efforts. An employer might be found in compliance by OFCCP, but still be sued by EEOC, or a number of other agencies.
- (3) Parallel programs, causing waste and inefficiency. Duplication, overlap and inconsistency have resulted in a waste of resources.
- (4) Unnecessary and repetitive reporting and paperwork requirements. There is little coordination between Federal agencies with regard to their data needs.
- (5) Multiple enforcement proceedings in different forums against the same employer. Employees have the right to assert claims in Federal and State courts as well as to file administrative complaints with a number of agencies.
- (6) Confusion on the part of workers about how and where to seek redress. Much confusion derives from the fragmentation and overlap among programs.
- (7) Inadequate executive leadership, poor management and inadequate funding at some of the major agencies. The present leaders of these agencies are making significant management improvements.

Recommendations

A phased consolidation of equal employment opportunity program responsibility is the basic recommendation of the project. Although there is substantial agreement that consolidation eventually should occur, there is no agency that currently has the capacity to absorb all of these programs without severe disruption. EEOC, because of its mission and tradition, is the logical choice -- but its management problems have been severe. Therefore, we recommend that EEOC's authority be increased but that it not be given full jurisdiction until management improvements materialize. For this plan to be successful, reform at EEOC must be accorded top priority and appropriate resources and management assistance provided.

In the interim, we believe partial consolidation should occur as follows:

- (1) All contract compliance activities should be centralized in the Department of Labor.
 - Veteran's and handicapped programs require compliance only by those who are government contractors. The Labor Department now administers these programs and, as long as Labor is responsible for contract compliance, this arrangement should continue.
 - Eleven government agencies (under Labor's general supervision) now administer Executive Orders No. 11246 and 11375 prohibiting discrimination by government contractors on the basis of race, color, religion, national origin, or sex. By consolidating this responsibility in Labor, we would promote consistent standards, procedures, and reporting requirements. Contractors would be subject to only one agency's jurisdiction. Finally, the transfer would eliminate the current conflict of interest between the procurement objectives of government agencies and their equal employment objectives. (Supported by Labor, Energy, Justice, Agriculture, DOT; opposed by Treasury, HEW, Defense, HUD, and Interior.)

- (2) Responsibility for enforcing the Equal Pay Act, the Age Discrimination in Employment Act, and equal employment for Federal employees should be merged into EEOC.
- The protections of the Equal Pay Act, now administered by the Department of Labor, also are offered by Title VII, administered by EEOC. Transferring this responsibility would minimize overlap, promote consistent standards and investigative findings, and provide additional enforcement authority and remedies for EEOC. (Supported by EEOC; opposed by Labor.)
 - The Age Discrimination in Employment Act (now under Labor's jurisdiction), also duplicates Title VII protections. Transferring this responsibility to EEOC would reduce overlap, inconsistency, and confusion. (Supported by EEOC; opposed by Labor.)
 - The Civil Service Commission is responsible for establishing an equal employment discrimination complaint system, hearing appeals of agency determinations of complaints, and establishing and enforcing affirmative action requirements. Its standards are weaker than those imposed on private employers. By transferring responsibility for enforcing Title VII, the Equal Pay Act, and the Age Discrimination Act to EEOC, Federal employees will be given the same rights and remedies and Federal employers held to the same standards as those applied in the private sector. (Supported by EEOC, Agriculture, Commerce, HUD; opposed by CSC, reservations expressed by State, Justice, HEW.)
- (3) The Equal Employment Opportunity Coordinating Council, created in 1972 to eliminate duplication and inconsistency in the Federal equal employment program, should be abolished and its duties transferred to the EEOC.

- The EEOC never has been successful in coordinating Federal equal opportunity programs. Transferring this responsibility to EEOC would provide it with significant new duties and would make it the "lead agency" in the government's equal employment program. The responsibilities which the EEOC would assume include the development of substantive equal employment opportunity standards, applicable to the entire Federal Government, standardization of Federal data collection procedures, and development of government-wide complaint and compliance review methodologies. This transfer also would decrease the widespread duplication, overlap, and inconsistencies among the equal employment programs. (Supported by EEOC, Agriculture, HEW; opposed by Justice, Labor.)

All of these recommendations can be effected by a combination of reorganization plans and Executive orders.

Political Assessment

These proposals should have broad national support. Civil rights groups, particularly the Leadership Conference (and its Chairman, Clarence Mitchell) and the National Urban League (led by Vernon Jordan) are strong supporters. Women's groups support the package, although they may have reservations about the Equal Pay Act transfer. Business leaders generally support consolidation but will oppose our recommendation to consolidate in EEOC.

We believe that a reorganization plan encompassing these proposals would not be vetoed by the Congress. The Black Caucus (led by Parren Mitchell) is anxious to receive the Administration proposals and agrees with our recommendations. We do expect some opposition from Harrison Williams on removing any Labor Department responsibilities. Although each provision has its supporters and detractors, we believe support will outweigh opposition. The plan is delicately balanced; as long as it remains intact, there is reason to hope that no major interest group would push its opposition to one portion of it if it meant jeopardizing the package.

Conclusion

While the recommendations we propose will not solve all equal employment problems, they will improve the current situation dramatically. From a management standpoint, they will reduce the duplication and resulting inconsistencies that characterize our current equal employment organizations.

From a political standpoint, they are feasible and will be greeted enthusiastically by black groups.

If you approve these recommendations, we suggest that you announce them at a gathering including government officials, members of the Congress, and civil rights, business and labor leaders. Such a meeting can be arranged within a week of your decision.

II. DECISION
MEMORANDUM



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MEMORANDUM FOR: THE PRESIDENT

FROM : James T. McIntyre, Jr.

SUBJECT : Reorganization of Equal Employment
Opportunity Laws and Programs

You have stated that one of the prime objectives of your Administration is improvement in the management and enforcement of the Nation's civil rights laws. The Task Force on Civil Rights of the President's Reorganization Project is reviewing all the programs of the Federal Government which prohibit discrimination. All areas covered by anti-discrimination laws, orders, or regulations, including employment, housing, education, and social services will be examined.

This report deals with programs designed to eliminate employment discrimination. It considers (1) the agencies and programs involved; (2) the deficiencies in the organization of present programs and laws; (3) the principal alternative courses of action; (4) steps that can be taken to reorganize the programs and laws pursuant to your reorganization authority or by Executive order; and (5) legislative options. The various recommendations contained in this report are interrelated. Accordingly, we have not included until toward the end of the report a place for you to record your agreement or disagreement with the recommendations. This will give you the opportunity to evaluate the recommendations in relation to each other.

The equal employment laws and programs have been the subject of severe criticism -- from individuals whose rights the laws were intended to protect and from employers who must comply with Federal equal employment requirements. The Federal effort to eliminate employment discrimination probably is the most fragmented equal opportunity program and the one most in need of reorganization. There are

almost 40 separate equal employment opportunity requirements currently applicable to employers in the private and public sectors. These requirements are enforced by 18 different departments and agencies.

In considering the problems in this area, the Task Force has made an extensive review of existing studies, reports and articles about civil rights enforcement. At the request of the President's Reorganization Project, the Commission on Civil Rights updated its 1975 report, The Federal Civil Rights Enforcement Effort, To Eliminate Employment Discrimination. Option papers discussing all the major alternatives for reorganization of the equal employment opportunity agencies were circulated to a cross-section of hundreds of individuals and groups, and comments were solicited. Nearly 200 responses were received and analyzed. Personal interviews were held with over 100 individuals. Members of the Task Force consulted many interested groups, including representatives of the various Federal agencies with responsibilities in this field. A draft of this memorandum was sent to Cabinet members for comment and their major points are reflected in this document.

A. The Agencies and Programs Involved*

The Federal Government has been directly involved in combatting employment discrimination since 1940, when President Roosevelt promulgated the first Executive order prohibiting discrimination by government agencies. But especially in the past 16 years, Congress and the Executive Branch have created a number of different agencies and programs to attack the problem of discrimination in employment. Four agencies administering eight statutes or Executive orders are of major importance.

1. The Equal Employment Opportunity Commission (EEOC) was established by Title VII of the Civil Rights Act of 1964 to enforce a broad statutory prohibition against discrimination in employment on the basis of race, color, religion, sex or national origin. The EEOC has the responsibility for investigating charges of discrimination and for attempting to resolve by conciliation those in which reasonable cause is found that discrimination has occurred. Where conciliation fails, the EEOC may bring suit in Federal district courts against private employers or unions. EEOC gained the authority to litigate in 1972; prior to that time its efforts were limited to entering into conciliation agreements. The agency was authorized 2,584 positions for Fiscal Year 1977.

* See Attachment for a more detailed description of the duties and activities of these agencies.

2. The Department of Labor has major equal employment responsibilities which are carried out by the Office of Federal Contract Compliance Programs (OFCCP) and the Wage and Hour Division of the Employment Standards Administration. OFCCP has been delegated responsibility by the Secretary of Labor for administration and enforcement of Executive Order 11246. This order, issued by President Johnson in 1965, prohibits discrimination in employment by government contractors on the basis of race, color, religion or national origin. Sex was added to the list of prohibitions by Executive Order 11375 in 1967. The Executive orders require government contractors to take affirmative action to ensure that employees and applicants for employment are treated without discrimination. Regulations of the Secretary of Labor require many contractors to develop written affirmative action programs which generally must include goals and timetables to increase the employment of minorities and women.

The Executive order program is administered through 11 compliance agencies. They operate under the supervision of OFCCP and have been delegated responsibility for conducting investigations and compliance reviews of government contractors in designated industrial classifications. OFCCP prescribes the standards and procedures to be followed by the compliance agencies. It also audits the performance of the agencies in carrying out their responsibilities.

OFCCP also has responsibility for enforcement of Section 503 of the Rehabilitation Act of 1973 and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974. These statutes require government contractors to take affirmative action to employ and advance in employment qualified handicapped individuals, disabled veterans and veterans of the Vietnam Era.

Contractors who fail to comply with Executive Order 11246, the Rehabilitation Act, or the Vietnam Veterans Act may have their contracts terminated and may be debarred from bidding on future contracts. In the 36 years of the existence of the contract compliance program, approximately 15 contracts have been terminated. In Fiscal Year 1977, OFCCP had 216 authorized positions and the contract compliance agencies had 1,571.

The Equal Pay Act of 1963 (EPA) and the Age Discrimination in Employment Act of 1967 (ADEA) are enforced by the Wage and Hour Division. The Equal Pay Act prohibits any employer subject to the Fair Labor Standards Act from paying unequal wages to men and women

doing the same work. The ADEA created a broad prohibition, similar to that in Title VII, against discrimination on the basis of age. It applies to most of the same employers and organizations covered by Title VII, but it only protects those between the ages of 40 and 65. It is estimated that in Fiscal Year 1977, the Department of Labor invested 317 person years in the enforcement of these programs.

3. The Department of Justice has responsibility for litigation against State and local governments under Title VII. The Department also represents the Secretary of Labor in lawsuits to enforce the provisions of Executive Order 11246 which prohibit discrimination by government contractors. The Attorney General, in addition, is authorized to file suit in "pattern and practice" cases under several other statutes prohibiting discrimination in Federal grant programs, such as the Omnibus Crime Control and Safe Streets Act of 1968 and the State and Local Fiscal Assistance Act of 1972 (Revenue Sharing). The equal employment litigating responsibilities of the Department are handled for the most part by the Employment Section of the Civil Rights Division which was authorized 45 positions in Fiscal Year 1977.

4. The Civil Service Commission (CSC) is responsible for enforcement of the nondiscrimination and affirmative action in Federal employment requirements of Section 717 of Title VII and Executive Order 11478 of August 12, 1969. Each Federal department and agency is required to develop and submit to the Civil Service Commission annually an affirmative action program. The CSC has established a system for investigation, conciliation and formal hearings on complaints of discrimination. For Federal employers, the Civil Service Commission also enforces the Equal Pay Act and the Age Discrimination in Employment Act as well as Section 501 of the Rehabilitation Act of 1973 covering discrimination on the basis of handicap in the Federal Government. The Commission devotes 120 person years to the enforcement of the Federal equal employment programs.

In addition to these four major agencies with enforcement responsibilities for generally applicable equal employment opportunity requirements, there are at least 14 other agencies which enforce over 30 nondiscrimination and/or affirmative action requirements which are

applicable only to the employment practices of organizations and entities which participate in specific agency programs. Some examples of such provisions are: The State and Local Fiscal Assistance Act of 1972 (Revenue Sharing), which prohibits discrimination on the basis of race, color, religion, sex, national origin, handicap or age, and is enforced by the Department of the Treasury; and the Housing and Community Development Act of 1974 which prohibits discrimination on the basis of race, color, national origin, or sex and is enforced by the Department of Housing and Urban Development. While it is not possible to determine the exact number of staff years assigned to the equal employment programs because most employees have multiple duties, at least several hundred employees spend some of their time enforcing these requirements. (See Chart 1, p. 40 for FY 78 agency budgets.)

B. Deficiencies in the Equal Employment Enforcement Program

1. Overlapping Jurisdiction

A major area of overlap in jurisdiction is between the EEOC and OFCCP. Both agencies enforce a broad prohibition against discrimination in employment. Government contractors subject to Executive Order 11246 are almost all covered by Title VII as well. The EEOC's responsibilities in the area of sex discrimination also overlap with those of the Labor Department's Wage and Hour Division under the Equal Pay Act. Most employers covered by the Equal Pay Act are covered by Title VII. Any violation of the Equal Pay Act also would be a violation of Title VII which encompasses a broader prohibition against wage discrimination.

In addition, there are separate nondiscrimination and affirmative action requirements in many Federal grant programs. A number of agencies, on their own initiative, also have established such requirements by regulation (e.g., the Federal Communications Commission and the Bureau of Apprenticeship and Training). (See Chart 2, p. 41.)

2. Application of Inconsistent Standards

Overlap and fragmentation of the equal employment program have caused inconsistent standards for compliance to be applied by the different agencies, often to the same employer.

OFCCP and the EEOC apply different standards for what constitutes discrimination. For example, the two agencies follow different guidelines on employee testing and selection procedures and have followed different interpretations of the meaning of the prohibition against sex discrimination in each program. Even within the same program such inconsistency can occur. Thus, under the contract compliance program different enforcement agencies have placed different interpretations on the same requirement. Grant-making agencies also have published regulations with their own interpretations of their nondiscrimination requirements.

3. Inconsistent Investigation Procedures and Data Requirements

OFCCP and its compliance agencies often will conduct compliance reviews of employers already under investigation by the EEOC and vice versa. There is little coordination between the two programs. Similarly, there is little coordination between the EEOC and the Wage and Hour Division in sex discrimination investigations of private employers, or between the Department of Justice, OFCCP, the Wage and Hour Division and grant-making agencies on investigations of State and local agencies. A government contractor who manufactures different products at different facilities may have compliance reviews conducted by two or more different compliance agencies under Executive Order 11246. The contractor may be asked for different kinds of data at each facility; the data may be required in differing formats and one compliance agency may approve of the contractor's equal employment programs while another will disapprove. In addition, some of the grant-making agencies have established their own procedures and reporting requirements.

4. Multiple Enforcement Proceedings

The fragmentation and sporadic development of Federal equal employment laws has had the result of subjecting employers to potential liability in multiple enforcement proceedings in different forums. For example, a complaint alleging discrimination may be found to be without basis in an arbitration proceeding under a collective bargaining

agreement, by a State human rights agency, by the Department of Labor under Executive Order 11246 and the Equal Pay Act, and by the EEOC under Title VII, but may still form the basis of a lawsuit under Section 1981 of the Civil Rights Act of 1866 or Title VII.

5. Waste of Resources

Duplication, overlap and inconsistency have resulted in a waste of resources. If duplication were eliminated, more investigations of different employers could be conducted, complaint processing time could be reduced and more resources could be allocated to the most important cases with the biggest impact.

6. Confusion Over Procedures

Complaining parties often are confused over where to go to seek redress and how to invoke the procedures under each statute or program. Much of the confusion derives from the fragmentation and overlap among programs.

7. Undue Delay in Processing Complaints and Resolving Instances of Noncompliance

Complaining parties frequently wait for years with no action taken on their cases. Employers also have expressed concern about delays in enforcement citing their interest in knowing where they stand as soon as possible in order to minimize any potential liability. In addition, agencies have not taken expeditious action in those cases in which they have identified noncompliance as a result of self-initiated investigations.

8. Inadequate Attempts at Coordination

Several attempts to coordinate Federal equal employment programs have been made, but they have been largely unsuccessful. Section 715 of Title VII, which was added in 1972, established an Equal Employment Opportunity Coordinating Council consisting of the Secretary of Labor, the Attorney General, and the Chairpersons of the EEOC, the Civil Service Commission and the Commission on Civil Rights. The specific mission of the Council was to eliminate "conflict, competition, duplication and inconsistency among the operations, functions, and jurisdictions" of the agencies with equal employment responsibilities. The Council has not been successful in its mission and now is almost moribund.

The EEOC and OFCCP also have made efforts to coordinate their activities but here too success has been extremely limited.

9. Poor Management, Lack of Leadership and Inadequate Resources

Problems of administration and management inherent in the present structure of equal employment programs have been compounded in the past by the lack of leadership and commitment by top officials, provision of inadequate resources, and poor management in most of the agencies. There has been rapid turnover at the top management levels and many positions have been left unfilled for extended periods of time.

The resources allocated to enforcement of equal employment programs are not adequate and are considerably less than those available to other comparable government programs. The NLRB, for example, has more employees than the EEOC and a slightly larger budget. Its annual complaint load, however, is significantly smaller than that of the EEOC. Its complaints, moreover, are often less complex than those of the EEOC and it has greater discretion in determining whether to investigate matters brought to its attention. Inadequate resources have made it difficult to provide the amount, kind and quality of staff training needed to deal with the increasingly complex problems of equal employment enforcement; have limited efforts to improve data collection; and have contributed to the backlog of unresolved complaints.

C. Principal Alternative Courses of Action

It is plain that the Federal equal employment program is not operating as it could or should to achieve its objective. The program has been subject to widespread criticism -- by civil rights groups, by employers and by labor unions. No sector is satisfied with the current program and all have offered suggestions for change. A consensus on what needs to be done, however, is lacking. There is an extremely wide divergence of views.

The time is especially propitious for change. The principal programs involved are headed by outstanding appointees of this Administration. They are committed to strong civil rights enforcement and would be most supportive of positive steps to improve existing programs. In fact, significant steps already have been taken within

some of the agencies to strengthen their enforcement programs. Most noteworthy are the efforts underway at the EEOC. Under Chair Eleanor Holmes Norton, that agency is instituting wide-ranging reforms of its policies and procedures which promise to meet most of the criticisms to which that agency has been subject. For example, the EEOC has adopted a backlog charge processing system designed to eliminate the backlog within a year and a half. The agency also has begun to utilize a new system for processing complaints designed to expedite resolution of charges through increased efforts at achieving voluntary settlements. In addition, Ms. Norton has begun implementation of a long overdue staff reorganization which by integrating litigation, investigation and conciliation functions should enable the agency to offer more prompt and thorough service to complainants.

At the Department of Labor, Secretary Ray Marshall, Assistant Secretary Donald Elisburg, and OFCCP Director Weldon Rougeau are intensively studying the deficiencies in the contract compliance program. Civil Service Commissioners Alan Campbell, Jule Sugarman and Ersi Poston are charting ways to insure that the Federal Government truly becomes an equal opportunity employer.

In spite of improvements made thus far in particular programs, structural impediments to effective enforcement of Federal equal employment laws remain. No easy solutions are either suggested by the array of problems we have discussed or are possible given the complexity of the issues.

1. Criteria for Choosing Among Possible Solutions

The goal of the Task Force was to develop proposals that would lead to the more effective enforcement of the equal employment laws -- laws designed to secure the basic right to economic security. Structural problems, including the overlap and fragmentation of programs, have led to ineffective enforcement. We considered many options for reorganizing the equal employment programs and developed criteria for evaluating them. Each option, or set of related options, was measured against these criteria. In brief summary, the criteria were these:

a. Will the option result in efficient use of enforcement resources? Overall objectives are more likely to be achieved if similar programs are consolidated.

b. Will the option reduce the burden on those who are regulated? No regulatory scheme can succeed without widespread voluntary compliance. Where compliance becomes unnecessarily burdensome, hostility, antagonism and noncompliance result.

c. Will the option promote uniformity in standards of compliance? Does it reduce inconsistencies among programs with the same objectives?

d. Will the option insure that individuals similarly situated have the same rights and that comparable organizations have the same responsibilities? To the extent possible, persons or organizations similarly situated should be accorded the same rights and held to the same responsibilities.

e. Will the option avoid assigning to any organization responsibilities inconsistent with its basic values or skills? Responsibilities inconsistent with the dominant traditions and values of an organization are unlikely to be carried out effectively.

f. Where a goal cannot be achieved immediately, does the option accomplish all that is feasible and provide a basis for further progress?

2. The Principal Alternatives

There are three alternatives which we believe may result in achieving substantial change.

a. Merge all equal employment opportunity enforcement activities into one agency.

b. Make minimal structural changes; emphasize improved management, better coordination, and greater resources.

c. Reorganize and consolidate certain designated equal employment opportunity functions; and create effective coordinating mechanisms which will reduce overlap, duplication and inconsistency among the remaining functions.

Alternative a.

This alternative calls for a merger of all equal employment enforcement activities into one agency. Its adoption and effective implementation would remedy most of the serious deficiencies of the government's equal employment effort. It would end such counterproductive elements of the present enforcement program as inconsistent standards for compliance, duplicative investigations and excessive reporting and data demands. It also would reduce the number of enforcement actions which could be invoked based on a single set of circumstances. Full consolidation would result in a more efficient and effective effort to enforce the equal employment laws. Complainants would have one contact point; scarce resources could be directed to the most severe problems; and sanctions could be utilized in a consistent fashion. The net effect of having a single equal employment enforcement agency should be the creation of a strong but fair program in which the government response to discrimination was predictable and prompt.

An immediate move to full consolidation, however, would have its price. The movement of personnel and the incorporation of programs into a single agency most certainly would involve a period of lowered efficiency and effectiveness. Current management problems in some of the equal employment units compound the problem. The two equal employment opportunity enforcement agencies with the most responsibility -- EEOC and OFCCP -- presently have management problems of great proportions which the new leadership of these agencies is trying to correct. They are faced with a complex, energy and time-consuming task. To burden, for example, the EEOC in the near future with the entire responsibility for administering Federal equal employment opportunity enforcement efforts might well so strain the resources of that agency that it would be unable to achieve any of its goals.

If and when full consolidation does occur, we believe that the EEOC should become the ultimate locus of the equal employment enforcement program. The size, years of experience and broad scope of its activities make it suitable for such a future role. Congress created the Equal Employment Opportunity Commission in 1964 after nearly two decades of debate over the need for a national fair employment practices commission. The Commission, although without significant powers at its birth, was intended to be the linchpin in the Federal effort to eradicate employment discrimination, and it played a pivotal role in sensitizing the Nation to the extent, subtlety and complexity of the problem. In 1972, Congress acted to strengthen the EEOC. Nevertheless, the agency has failed to fulfill the promise of those who fought for its creation and seek its protection.

EEOC has had management and image problems. Some of its management problems are not uncommon to a new agency administering a highly controversial and complex program involving numerous legal issues still unsettled. Other problems relate to demands made upon the agency and the inadequacy of resources to meet those demands. When EEOC was created, Congress expected the agency to receive 2,000 complaints annually. In its first year, the Commission received 8,700 complaints. In the fiscal year just ended, approximately 85,000 complaints were filed. Today, therefore, EEOC receives nearly 43 times as many complaints as originally contemplated. Yet its budget, which has grown from \$3.2 million in 1965 to \$71.86 million today, has not increased at a rate comparable to its case load. Nor has its staff. For the last three years the EEOC's staff has remained at 2,584 positions.

Lack of sustained and consistent leadership also has presented problems for the EEOC. Since 1965, the Commission has had seven chairpersons, nine executive directors and three acting executive directors. In the past several years, the Commission rarely has had its full complement of Commissioners.

The EEOC's image problems concern the allegation that its staff is not well trained and lacks objectivity. Equal employment enforcement has become increasingly complex. It is no longer the simple matter of determining whether facilities are segregated. An intricate body of legal, statistical, investigative and management knowledge must be comprehended. Staff training has not been stressed to a sufficient degree, partly because of inadequate resources. To insure that any reorganization of the equal employment program is implemented successfully, the resources must be provided to permit adequate staff training.

Charges of partiality leveled against the EEOC might in some instances be attributable to the excesses of staff members committed to a mission and frustrated over inadequate powers. It also is a charge that inevitably will be directed at an agency administering a highly controversial and emotional program and employing large numbers of minorities and women. Adequate leadership and training can help alleviate this problem.

But the shortcomings of the EEOC in the past should be evaluated in light of its accomplishments, which have been substantial. Today the EEOC is launched on a program of fundamental internal reform which we believe to be well designed. The question is not whether the EEOC will succeed but what must be done to insure its success. The next months are critical. If the EEOC is provided with the management assistance, resources and personnel necessary to implement the reforms underway there is every reason to believe that the present leadership will develop an effective and efficient equal employment program under the leadership of the EEOC.

One problem should be noted, however. While the Department of Justice and the Administrative Conference of the United States classify the EEOC as an Executive Branch agency, the General Accounting Office regards it as an "independent regulatory agency" for purposes of form clearances. This ambiguity raises a concern about lodging such extensive authority in an agency that arguably is not under Executive control. Efforts are underway to resolve this question with GAO, and we feel confident that the views of the Department of Justice will prevail.

As an alternative to consolidating all programs into the EEOC, we have considered the appropriateness of placing this function in the Department of Justice. This would centralize equal employment litigation in the agency with the most litigation experience and success. It also would complement Justice's current authority for Title VI coordination. If equal employment matters were housed in Justice, the Department would be in a good position to deal with the interrelationships between employment and discrimination in the delivery of Federal assistance.

Considerations against consolidation in Justice, however, are far more compelling. Justice's reputation is based on its ability as a litigator; it has limited experience in administering regulatory requirements. Consolidation in Justice would involve the Department in activities that have little to do with its traditional litigation role. The Department lacks the capacity to administer a large complaints program. The Department's record in carrying out its responsibility for coordinating Title VI, moreover, has been less adequate than its Title VII litigation record. The Department, in addition, has had the reputation among women and minorities of being too cautious and conservative in the area of equal employment enforcement. Abandoning the EEOC in favor of the Department of Justice would be regarded by most civil rights groups as a retrenchment of efforts to vindicate the rights of minorities and women. It also would involve shifting the equal employment enforcement program to an agency viewed as likely to allow political considerations to influence decisions on policy and litigation. Finally, a major shift of programs such as would be required to bring about consolidation in the Department of Justice would result in a more prolonged disruption of the equal employment enforcement effort than any of the other options being considered.

A third option considered was the consolidation of all equal employment programs in the Department of Labor. This would place these programs in a major Cabinet agency with some experience in equal employment matters and would increase the possibility of coordination between manpower training programs and the Federal effort to end job discrimination.

This alternative was rejected for a number of reasons. First, the equal employment responsibilities of the Department of Labor are small compared to those of the EEOC. Its staff assigned to equal employment matters is less than one quarter the size of the staff of the EEOC. Its major effort has been administering the Executive order program. But its only role in that area has been one of policy guidance and oversight of the programs of the compliance agencies. Thus, it has no experience in the investigation, conciliation, and litigation of the massive number of complaints which form the bulk of Federal equal employment activity. Second, despite the opportunity to do so over the past twelve years, the Department has failed to coordinate its manpower training programs with its equal employment programs, although efforts in this direction are planned by Secretary Marshall.

Third and of greatest importance, the Department has a number of responsibilities other than civil rights. Some of the Department's major constituent groups, in some cases, have been unsympathetic to advances made by minorities and women. Placement of the entire Federal effort in an agency subject to conflicting pressures would be opposed strongly by the civil rights community which favors a single purpose equal employment agency.

Alternative b.

At the other end of the spectrum from full consolidation is alternative b, calling for minimal structural changes. This alternative is supported by those who believe that management reforms underway at major equal employment agencies could negate the need for reorganization and who believe that there are strong prospects for improved coordination among the principal agencies. Focusing on internal reform rather than reorganization, moreover, increases the potential of achieving goals without dislocation and loss of efficiency characteristic of reorganization.

But internal management reforms and voluntary attempts at coordination, while necessary, are likely to fall far short of what is needed to build an efficient and effective equal employment law enforcement program. Past experience has demonstrated that each agency views its own responsibilities as autonomous and operates its programs in a manner it believes will maximize their success. No agency has the authority to require the other agencies to take the steps necessary to ensure the achievement of a governmentwide goal, to adjust their investigative procedures, or to reduce duplicative paperwork requirements. Thus the problems of overlap, inconsistency, and wasted resources cannot be cured without reorganization and, if unaddressed, will continue to hobble the enforcement effort and discredit its goals.

We believe that more than minimal structural changes and improvements in management are required. At the same time, our analysis has persuaded us that the goal of full consolidation cannot be achieved immediately.

Alternative c.

Our analysis of the equal employment enforcement programs led us to conclude that alternative c offers the most realistic reorganization approach. We, therefore, have discussed this approach extensively with concerned individuals and groups and present it here in detail. We also note support for, and objections to, this alternative.

Alternative c promises progress toward a strong, fair and efficient equal employment enforcement program in incremental stages. It involves a number of steps, some of which could be taken promptly, others of which could be taken in a year, and still others of which would not be acted upon for two years. These steps are designed to advance in an orderly, practical and effective manner toward one consolidated equal employment enforcement program -- ultimately the most effective mechanism. By conditioning some of the proposed steps on improved agency performance, we have built in incentives to develop well run and effective programs.

Incremental change, of course, has its disadvantages. It creates some degree of uncertainty while a coherent structure is created and it involves a waiting period before the most effective enforcement machinery is in operation. We do not believe, however, that the complexity of the equal employment structure lends itself to one simple approach, to be implemented immediately, from which dramatic improvement can be expected.

Rather, we believe alternative c offers the best prospect of immediate workable solutions that would permit notable success and enhanced respect. It also would alleviate many of the problems that have impeded progress for minorities and women and caused great concern among business and government leaders.

D. The Components of the Equal Employment Reorganization Plan

There are three major aspects of the alternative we recommend.

1. All contract compliance activities would be centralized in the Department of Labor.
2. The responsibility for enforcing the Equal Pay Act and the Age Discrimination in Employment Act, and the authority to ensure equal employment opportunity for Federal employees would be transferred to the EEOC.
3. The responsibility to coordinate all equal employment programs that reside in agencies other than the EEOC would be assigned to the EEOC.

These recommendations and the specific actions required to implement them are discussed in the following paragraphs along with the related advantages of those actions. We have noted in brackets the views of important groups and relevant agencies where they have taken positions on these recommendations. Functions which are recommended for no change also are discussed.

1. Consolidation of Contract Compliance Program

a. Terminate the authority of the 11 government agencies presently vested with the responsibility to ensure compliance by Federal contractors with Executive Order 11246; consolidate compliance authority in the Office of Federal Contract Compliance Programs, Department of Labor.

The consolidation would promote consistent standards, procedures, and reporting requirements and relieve many contractors of the burden of being subject to the jurisdiction of multiple agencies. It removes the basis of the major complaint of business groups. As a result, cooperation with the intent and provisions of the contract compliance program should be achieved more readily.

The transfer, in addition, would eliminate the current conflict of interest between the procurement and construction objectives of government agencies and their equal employment enforcement objectives. This conflict arises when agency officials find that if civil rights responsibilities are strictly enforced, it might be difficult, if not impossible, to enter into a desirable contract. Even in situations where top management has the best of intentions, civil rights concerns that are in conflict with procurement goals, tend to be brushed aside. In addition, the consolidation, by unifying planning, staff training, and the use of sanctions, also should facilitate the development of a better organized and more efficient enforcement program.

Those opposed to consolidation generally fear diminished sensitivity to equal employment considerations in the contracting agencies. They also are concerned that a centralized program in the Department of Labor would be susceptible to interests hostile to civil rights and that the Department may not operate the program in an effective manner.

This recommendation can be implemented by Executive order and should be accomplished by October 1, 1978. The resources of the 11 compliance agencies -- 1,517 positions and a budget of \$33.1 million -- would be transferred to the Department of Labor. We anticipate that the consolidation will result in a reduction in supervisory personnel and other administrative costs. We recommend that the money saved as a result of the consolidation (between \$8-12 million) be used to increase the number of compliance personnel. Current allocations have been inadequate for a reasonable coverage of the estimated contractor universe.

[This recommendation has the strong support of the Department of Labor. Other Federal agencies, such as the Departments of Justice, Agriculture, and Transportation concur. There also is widespread support for this recommendation from civil rights, women's and business groups (such as the Equal Employment Advisory Council and the Chamber of Commerce of the United States). The Leadership Conference on Civil Rights traditionally has opposed removing civil rights responsibilities from line agencies but is unlikely to press that opposition in light of the Conference's favorable reaction to the overall reorganization proposal.

The Department of Energy favors consolidation of the compliance agencies in the Department of Labor, but suggests that this merger be phased in over a three to five year period. Labor recommends consolidation on October 1, 1978, and we agree. Nearly a year is an adequate period of transition, and a partly consolidated, partly unconsolidated program would promote confusion.

Some compliance agencies oppose the consolidation. These include the Departments of the Treasury, HEW, Defense, HUD, and the Interior. Treasury stresses its unique and favorable relationship with the banking industry. Treasury's program, however, has been especially ineffective. In Fiscal Year 1976, Treasury reviewed only 3.5 percent of its contractors compared with 53.2 percent and 25.5 percent for the Departments of Commerce and Defense respectively. Treasury's rate of initiating enforcement actions also has been one of the lowest in the government.

HEW likewise emphasizes its close relationship to its contractors and warns that consolidation would result in universities being visited by the Labor Department under the contract compliance program and by HEW under the equal employment provisions of some of its grant programs. HEW's contract compliance program, however, suffers from most of the same deficiencies as that of the Department of the Treasury. In Fiscal Year 1976, for example, it reviewed a smaller percent of its supply contractors (1.5 percent) than any other agency. Duplicative investigations can be avoided by the EEOC fostering interagency agreements and coordinating investigative schedules.

The Department of Defense raises a concern about the ability of the Department of Labor to implement effectively a consolidated contract compliance program. While the record of the Department of Labor is not without flaw, it nevertheless has developed an extensive set of substantive

and procedural regulations and expertise in the requirements of effective enforcement. Evidence seems persuasive that many of the significant deficiencies in the contract compliance program stem from the conflict of interest of the compliance agencies and the agencies' failures to abide by the rules and policies of the Department of Labor. Consolidation is likely to produce a more effective program, and the Department of Labor should be provided the assistance necessary to carry out its responsibilities.

Finally, HEW suggests that the contract compliance agencies should continue in their present role but that the Department of Labor's supervisory authority should be transferred to the EEOC. The Task Force concluded that no matter which agency had supervisory responsibility for enforcement of Executive Order 11246, the program as presently structured would not function effectively. It is essential the program be administered centrally.]

b. Two years after the consolidation of the Executive Order 11246 program the President should determine whether to transfer the program to the EEOC.

There are a number of advantages to a transfer of the contract compliance program into the EEOC. It puts together the two biggest equal employment programs and significantly reduces the possibilities for inconsistent standards and investigative findings and duplication of effort.

Nonetheless, because of the contract compliance program's size and past program deficiencies, transfer of the entire program to the EEOC at this time would create enormous management difficulties and interfere with the implementation of other reforms by the EEOC. At the end of two years, after there has been a sufficient opportunity for the consolidated contract compliance program to become operational, the President should determine whether the time is appropriate to transfer the contract compliance program, as well as the Veterans' and Handicapped programs, to the EEOC.

[The Departments of Justice and Treasury question the proposal ultimately to merge the contract compliance program in the EEOC. Their concern appears partly grounded on the view that the EEOC's efforts are or should be directed solely toward handling individual complaints. We believe this is a misconception of the EEOC's mandate which is to rid the Nation of all forms of employment discrimination. To accomplish that end a major element of the EEOC's program should be to uncover and remove all patterns of institutional and systemic discrimination. Chair Norton of the EEOC intends to increase the EEOC's efforts in this regard.]

The Departments of Labor and Justice also suggest that the two year period may be an insufficient period of time in which to judge the program's effectiveness. Our proposal does not bind the President to take action at the end of two years; rather he is to study the operation of the two programs and determine if the time is propitious for a merger. In addition, the Department of Labor argues that there are compelling reasons for keeping the consolidated contract compliance program separate from the EEOC. It cites the leverage of the Federal contract process to bring about changes in the discriminatory practices of employers. The Department also states that the EEOC's complaint workload could overwhelm the affirmative action approach which is the heart of the Executive order program.

We agree that the Federal Government should use the contract process to insure equal employment opportunity but believe that there is no reason why the Executive order program cannot ultimately be enforced effectively by the EEOC. If necessary steps are taken in the next two years to overcome the EEOC's management problems and if the EEOC appropriately manages the new authorities assigned to it under this proposed reorganization plan, a more coherent equal employment enforcement program would result by transferring the contract compliance program to the EEOC. If not, the President can defer his decision.]

c. The responsibility for administering Section 503 of the Rehabilitation Act of 1973, as amended, and Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 should remain in the Office of Federal Contract Compliance Programs of the Department of Labor.

Although there are some differences between the Executive Order 11246 program and the Veterans' and Handicapped programs, all are based upon the Federal Government's procurement powers and require compliance only by those who are Federal contractors. Because of these important similarities, these programs can be enforced best within the same government agency. Therefore, the Task Force recommends that those programs remain in the Department of Labor as long as that agency has responsibility for the contract compliance program.

2. Merger of Program Responsibilities into the EEOC

a. Transfer the authority to enforce the Equal Pay Act to the EEOC.

The Equal Pay Act and Title VII are essentially duplicative. While Title VII covers a broader range of discriminatory wage practices based on sex, such as different rates of pay for work of comparable value, any violation of the Equal Pay Act also is a violation of Title VII. The transfer of the enforcement of the Act will minimize overlap and centralize Federal enforcement of the absolute statutory prohibitions against sex discrimination in employment. Employers no longer will be subject to inconsistent standards or investigative findings relating to equal pay matters. EEOC, moreover, would be provided with important additional enforcement authority and remedies with which to strengthen its efforts against sex discrimination in employment. For example, EEOC would gain the authority to examine records pertinent to an employer's wage practices, even absent receipt of a complaint; to file suit in Federal court on an equal pay matter without first being required to engage in prolonged negotiations, and to request liquidated damages in court actions. We recommend, therefore, that the enforcement of the Equal Pay Act be transferred from the Department of Labor to the EEOC effective July 1, 1978.

Shifting Equal Pay Act and Age Discrimination in Employment Act responsibilities from the Department of Labor to the EEOC would result in the transfer of 317 positions and \$8.8 million.

[The Labor Department strongly opposes this recommendation. It stresses its good performance record and warns that enforcement of the Equal Pay Act would suffer badly if transferred to the EEOC. The Wage and Hour Division's 1,000 compliance officers, operating out of 300 field and area offices, all check for equal pay violations in the 60,000 establishments visited each year. Violations that are uncovered are expeditiously resolved. Wage and Hour personnel also possess expertise in job evaluation and pay administration which Labor believes the EEOC personnel lack. Finally, Labor stresses the complexity of the Fair Labor Standards Act of which the Equal Pay Act is a part and asserts that confusion and inconsistency might result from two agencies administering these statutes.

We believe that the proposed transfer has the potential of strengthening overall sex discrimination enforcement. The interrelationship between the Equal Pay Act and the prohibitions against other forms of sex discrimination enforced by the EEOC are closer than the link between the Act and the other provisions of law enforced by the Wage and Hour Division. The EEOC has handled wage discrimination problems as part of its Title VII jurisdiction and has

expertise in this area -- expertise which is growing as more job comparability cases come before it. The transfer would provide EEOC investigators conducting equal pay reviews, for example, with the opportunity of uncovering other Title VII violations, thus strengthening the EEOC's already well respected sex discrimination enforcement program.

We also are convinced that the problems envisioned by the Department of Labor can be met. Transferring enforcement of the Equal Pay Act from the Labor Department would be accompanied by the resources required to administer that law. The Wage and Hour Division and the Solicitor's Office utilize approximately 317 staff years in their enforcement of the Equal Pay Act and the Age Act program and these resources would be moved to the EEOC. The EEOC would administer the Equal Pay Act as a separate program and not commingle equal pay personnel with other EEOC employees.

This would help ensure that there is no diminution of effort to end equal pay offenses. In addition, the EEOC would be able to augment the work of its Equal Pay personnel by ferreting out equal pay violations as part of other investigations it conducts under Title VII. And, as the EEOC's efforts to uncover patterns of systemic discrimination in key industries broaden in scope, Equal Pay Act matters could be made a part of that program. Wage and Hour investigators also could be required to inform the EEOC of any obvious violations they detect while implementing the minimum wage law and other Acts under their jurisdiction.

But the expectation that the Equal Pay Act will be as well administered by the EEOC as by the Labor Department is not the major reason for the transfer. The consolidation of these two similar programs is a reasonable, practicable step that can be taken toward the goal of one equal employment enforcement agency. And that is a goal toward which this country has been striving at least since 1944 when Senator LaFollette introduced the first fair employment practices act. We have accepted many expedient compromises when that goal was out of reach, when the political climate militated against it, when forceful leadership was absent to chart the way. As a result, we have multiple programs, none as effective as they could be. We now have the opportunity to move toward a single purpose equal employment enforcement agency. The accident of history that placed the Equal Pay Act in the Labor Department is no reason for thwarting the achievement of that goal.

This recommendation has the support of the EEOC. While it is not yet clear what positions particular organizations will adopt on this recommendation, there is no doubt that some civil rights and women's groups support the transfer as part of a full consolidation. It appears, however, that there will be substantial opposition to the proposal. Many business and union organizations, a number of women's groups, and a few civil rights groups can be expected to oppose the transfer for essentially the same reasons cited by the Department of Labor.]

b. Transfer the authority to enforce the Age Discrimination in Employment Act of 1967 to the EEOC.

Presently there is virtually complete overlap in the coverage of employers, employment agencies, and labor organizations under Title VII and the ADEA. This overlap results in duplication of effort which is inefficient and burdensome to employers subject to both Acts. It also results in confusion among victims of discrimination. The ADEA, moreover, was modeled on Title VII, and enforcement of the two Acts is compatible. In addition, the ADEA program is of a size which ensures that the EEOC could readily absorb it; in 1977 there were about 5,000 alleged violations of ADEA whereas the EEOC received 76,000 charges alleging violations of Title VII.

We recommend that the ADEA enforcement authority be transferred from the Department of Labor to the EEOC effective July 1, 1978.

[The Department of Labor opposes this transfer for many of the same reasons it advanced in opposition to the transfer of enforcement of the Equal Pay Act. On this question it stresses problems peculiar to age cases, such as differences in the defenses raised and the types of evidence needed, which would have to be mastered by EEOC staff.

While there are issues peculiar to the Age Discrimination Act which EEOC personnel will need to master, this does not appear to be a compelling reason against transfer, especially since the EEOC would acquire staff knowledgeable in this area from the Wage and Hour Division and the Solicitor's Office. Many of the issues which relate to age cases, moreover, are similar to those the EEOC has faced in the context of sex discrimination, e.g., participation in pension plans and requirements of specific types of jobs.

There also is the possibility that Title VII will be amended to cover age discrimination and this transfer would provide the EEOC experience in this area. Finally, our responses in section a above to many of the objections raised by the Department of Labor to the transfer of the Equal Pay Act are equally applicable here. In both instances, transfer of the programs would contribute to the development of a stronger and more uniform government effort to end employment discrimination.

The EEOC, the National Association of Retired Persons, and the National Council of Senior Citizens support this recommendation. There is a mixed reaction to this transfer among civil rights groups. Business groups who consider the EEOC as being too adverse are reluctant to give the EEOC additional responsibilities and are likely to oppose this transfer.]

c. Transfer the authority to ensure equal employment opportunity for Federal employees to the EEOC.

Unlike private employees and the employees of State and local governments, Federal employees must look to their own agencies and to the Civil Service Commission for the vindication of their equal employment rights under Title VII. The Civil Service Commission has responsibility for establishing an equal employment discrimination complaint system, hearing appeals of agency determinations of complaints, and establishing and enforcing affirmative action requirements.

The Civil Service Commission's interpretation of Title VII has resulted in its adoption of weaker substantive standards than those imposed on private employers. Burdens imposed on job applicants and employees alleging individual acts of discrimination in the Federal sector are significantly greater than those imposed by the EEOC in the case of complaints filed against private employers and State and local governments. Only recently, and as a result of a court order, did the Civil Service Commission issue regulations allowing the filing of class action complaints, and these regulations are highly restrictive. Finally, the instructions that the Civil Service Commission provides to agencies on affirmative action are substantially weaker than the requirements imposed on Federal contractors by the Department of Labor.

The alternatives considered were the following:

(1) Transfer all of the Civil Service Commission equal employment responsibilities to the EEOC;

(2) Transfer only the authority to review adverse agency decisions from the Civil Service Commission to the EEOC;

(3) Transfer the authority to investigate and decide charges of employment discrimination (as well as all other adverse personnel actions) to a newly created agency which would be independent of the Civil Service Commission; continue the Civil Service Commission as the agency responsible for affirmative action in Federal employment; give the EEOC the right to challenge CSC regulations and examinations and to issue proposed orders requiring change and if the CSC did not agree the matter would be resolved by the Equal Employment Opportunity Coordinating Council or the Department of Justice.

We recommend the first alternative, namely that the authority the Civil Service Commission now exercises under Title VII, the Equal Pay Act, the Age Discrimination in Employment Act, and the Rehabilitation Act, be transferred to the EEOC on October 1, 1978. Our recommendation is based on two basic principles:

(a) Federal employees should have the same rights and remedies and be subject to the same rules and procedures as private employees and employees of State and local governments;

(b) Federal agencies should be required to meet the same standards of equal employment opportunity as are private employers and State and local governments. Private employers who are government contractors, for example, are required to have goals and timetables for remedying underutilization in employment. Federal agencies only are encouraged to set goals and timetables. If anything, the Federal Government should set an example for the private sector since discrimination by a private employer or labor union violates a statute, while discrimination by the Federal Government violates the Constitution.

Those opposed to this transfer of authority argue that government agencies would have to deal with two different agencies on personnel matters, namely the Civil Service Commission and the EEOC. In addition, they contend that the proposed transfer would perpetuate an undesirable situation where complainants have at their disposal multiple appeals routes. Assigning the EEOC authority for equal opportunity in Federal employment also is said to separate

personnel policies related to equal employment opportunity from other personnel considerations and would transfer the authority to enforce equal opportunity in Federal employment from an agency with considerable expertise in Federal personnel practices to one with little expertise in this area. Furthermore, there is concern over the EEOC's ability to implement this responsibility and over the possibility that conflict might arise between rules and policies promulgated by the EEOC and the Civil Service Commission and agency personnel practices. A final contention is that separating personnel policies and equal employment opportunity will reduce attention to affirmative action on the part of personnel people and reduce the opportunities for creative use of alternative employee selection methods.

The Task Force is confident that the adoption of its recommendation will lead to a strengthened civil service. EEOC's oversight of Federal equal employment complaints and policies should have the same positive effect that it has had on the private and public employers within its jurisdiction. Indeed, merely the knowledge that the EEOC will look over their shoulder has motivated thousands of employers to implement progressive personnel programs. Allowing the Civil Service Commission to adopt personnel policies and then have the final voice in determining whether these policies adhere to Title VII standards creates a situation in which findings of systemic discrimination and the development of a rigorous enforcement program are unlikely.

Even if the EEOC has the ultimate responsibility for Federal equal employment opportunity, the CSC will have an enormously important role to play. Its role as central personnel agency imposes on it the duty to ensure agency compliance with Title VII, the Federal anti-discrimination law. Thus, the steps now being considered by the Commission to facilitate equal employment opportunity for women and minorities will continue to be an appropriate response for the CSC to initiate. In addition, agencies will remain responsible for attempting to settle complaints prior to investigation, making decisions after the completion of the investigation, and drafting and implementing affirmative action plans.

The personnel and budgetary effects of this recommendation would be to move approximately 120 positions and \$3.0 million from the Civil Service Commission to the EEOC.

[The Civil Service Commission opposes the transfer of authority over Federal employee equal employment complaints to the EEOC and favors alternative (3) described above. That alternative is not consistent with the two basic principles on which we base our recommendation, i.e., that Federal employees should have the same rights and remedies as other employees covered by Title VII and that the Federal Government should be held to equal employment standards at least as high as those of private employers and State and local governments. We believe that unless the EEOC is given the ultimate authority over equal employment efforts in the Federal sector, it is unlikely that long range improvements in that program will occur. The EEOC and the CSC have not been able to agree on a large number of civil rights issues and the the Equal Employment Opportunity Coordinating Council has been almost totally ineffective in making decisions in areas of dispute between agencies.

There is widespread support from civil rights groups and from unions representing Federal employees for transferring the Federal equal employment responsibility to the EEOC. Agencies favoring the Task Force's recommendation include the EEOC and the Departments of Agriculture, Commerce, and Housing and Urban Development.

The Department of State doubts that one equal employment agency can serve adequately the needs of both the public and private sectors. It should be noted, however, that in 1972 the Congress extended the jurisdiction of the EEOC to include the employment practices of State and local governments. The EEOC, therefore, has five years experience in applying Title VII in matters involving public and private employers.

The Justice Department questions whether the EEOC's ultimate authority includes the right to sue Federal agencies to ensure compliance with its orders. An existing Executive Order, 11478, requires that the "head of each executive department and agency shall comply with the regulations, orders and instructions issued by the [Civil Service] Commission." A new Executive order would be required after the transfer of authority over Federal employment to the EEOC and it, like the present order, would require compliance, and thus make litigation by the EEOC unnecessary.

HEW proposes that the EEOC be assigned the authority to set standards for the CSC and to hear appeals from the CSC decisions in employment discrimination cases. The HEW position does not appear to give the EEOC binding authority over the CSC. As stated above, unless the CSC and the agencies are bound by the EEOC's directives we are not confident that the Federal equal employment program will be effective.]

d. The Department of Justice should retain the authority to litigate Title VII pattern or practice cases against State and local governments as well as its other equal employment litigative authorities.

One program which the Task Force considered transferring to the EEOC was the Justice Department's authority to litigate equal employment matters against State and local governments. In light of the record and expertise of the Department of Justice, however, it would not enhance civil rights enforcement to relieve the Department of its present authority at this time. While the EEOC is strengthening its ability to litigate against Title VII violations by private employers, the Department of Justice can help create new law in the difficult area of public employment. [The EEOC concurs in leaving this authority in the Department of Justice.]

We also recommend that the Department retain its responsibility for enforcing the provisions of Executive Order 11246 and for filing pattern or practice suits authorized by several Federal grant statutes. [The Department of Justice has expressed a desire to share with the EEOC the authority to litigate pattern or practice suits in the private sector. It believes that it could contribute to steady and effective enforcement of the law against private employers and unions. The Task Force disagrees with the recommendation of the Justice Department. The authority to litigate pattern or practice cases against private employers was removed from the Department of Justice by a 1972 amendment to Title VII. The EEOC's litigation effort has been improving consistently. Thus, there does not appear to be a compelling need for splitting the litigative program in the private sector; it would lead to just the type of duplication and overlap we are trying to remedy. Moreover, dividing this responsibility now would have a negative effect on the motivation and work of the EEOC's attorneys.]

e. The responsibility for enforcing grant-related equal employment provisions should remain with the agencies administering the grant programs.

The Task Force evaluated the possibility of transferring to the EEOC the equal employment responsibilities of Federal grant-making agencies. Such a step could eliminate the duplication of effort, inconsistency in standards and investigative findings, and excessive and unproductive reporting requirements that now hinder the effort to bring State and local governments into compliance. The consolidation of authority approach was rejected in favor of assigning to the EEOC a coordination and leadership role for the whole Federal equal employment program. Among the principal reasons for this decision is that the multiplicity of statutes involved, the diverse regulations and investigative procedures, and the large number of personnel would have caused management problems of major proportions. In some instances, moreover, it is difficult to separate an agency's responsibility to insure equality in the provision of services from its responsibility to insure equal employment opportunity.

2. Centralization of the Coordinative Responsibility

Abolish the Equal Employment Opportunity Coordinating Council and transfer its duties to the EEOC.

The Equal Employment Opportunity Coordinating Council was created in 1972 to coordinate the Federal equal employment opportunity enforcement effort. For the most part, the Council has been a failure. The problems in equal employment enforcement coordination which prompted Congress to establish the Council have grown worse in the last five years. The Council's decision to operate by consensus has contributed to its ineffectiveness.

We recommend that the Council be abolished and its authority transferred to the EEOC on July 1, 1978.

This transfer would provide the EEOC with significant new duties and would make it the "lead agency" in the government's equal employment program. The responsibilities which the EEOC would assume include the development of substantive equal employment opportunity standards applicable to the entire Federal Government, standardization of Federal data collection procedures, creation of joint training programs, establishment of requirements to ensure that information is shared among the enforcement agencies, and development of government-wide complaint and compliance review methodologies. This transfer also would decrease the widespread duplication, overlap and inconsistency among the equal employment programs. For example, the EEOC could facilitate arrangements with the Department of Labor so that it would not conduct an investigation of a pattern and practice of discrimination by an employer if that employer were found in compliance under the contract compliance program. Similarly, the EEOC would be responsible for ensuring that the equal employment provisions which are applicable to recipients of Federal grants are applied in a uniform manner so that a State or local government need not file different equal employment data with each grant agency or have the same complaint subject to investigation by more than one agency.

These changes would result in a fairer and more efficient enforcement program. Effective use of the coordination and leadership role granted by this transfer should enhance the coherence and thus the credibility of the entire Federal compliance effort.

Through the use of this coordination and leadership authority the EEOC would gain detailed familiarity with the equal employment programs operated by other Federal agencies. As a result of this knowledge, the EEOC would be in a position to advise the President in the yearly report, required of the Coordinating Council by Title VII, of the need for and timing of future consolidations of equal employment responsibilities.

The Equal Employment Opportunity Coordinating Council has no staff of its own. Each member agency assigns staff on a part-time basis to work on Council activities. The EEOC will need a small number of new positions and appropriate resources to carry out these additional responsibilities.

[The Departments of Justice and Labor raise questions about this recommendation. They would prefer to keep the Council with the head of the EEOC as its Chairperson. They fear that the EEOC will act unilaterally to set policies and that a "quasi-independent" agency could not effectively prescribe policy for the Executive Branch. It may be assumed, however that the EEOC will realize the need for continued consultation with the affected agencies. Since the EEOC is not a "quasi-independent," but rather an Executive Branch agency, it can be directed by the President to engage in such consultation. While the EEOC is not a Cabinet agency, the Presidential designation of it as lead agency in the Federal equal employment area will vest it with the credibility necessary for it to ensure implementation of the Administration's program.]

Transfer of coordination authority to the EEOC has the support of a large number of the most important civil rights organizations. The Departments of Agriculture and HEW also concur with this recommendation.]

E. Legislative Options

Although the reforms we are recommending go a long way toward improving the present structure, it is not possible for all desirable changes in the Federal Government's equal employment opportunity authority to be accomplished through a reorganization plan or by Executive order. For that reason, we recommend that at the time you present this equal employment opportunity enforcement reorganization plan, you indicate that you intend at a later date to propose a comprehensive civil rights legislative package. This package would include proposed amendments in all areas of civil rights -- employment, housing, education, etc. -- and would be based upon the further recommendations of the Civil Rights Task Force as it proceeds with its study. You should make clear in your initial comments

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regarding this legislation that you are aware of the need for legislation regarding equal employment enforcement. You should point out, however, that it is important to wait in order to see how the reorganization progresses and to develop comprehensive civil rights legislation after work on the other equal opportunity areas has been completed.

With regard to strengthening equal employment opportunity enforcement, we recommend that you provide examples of the legislative issues you will consider including:

1. Whether to grant authority to the EEOC to conduct administrative proceedings leading to cease and desist orders.

2. Whether to amend Title VII to include a prohibition against discrimination on account of age.

3. Whether to amend Title VII to include a prohibition against discrimination against the handicapped.

4. Whether to amend Title VII to remove procedural impediments to the EEOC's authority to bring pattern or practice suits.

5. Whether to amend Title VI of the Civil Rights Act of 1964 to remove the present exclusion of employment from its coverage.

F. Conclusion

The adoption of the recommendations of the Task Force, we believe, would have far-reaching consequences. These recommendations are directed toward ultimately vesting all of the Federal Government's equal employment responsibilities in the EEOC and they begin movement in that direction. As the EEOC demonstrates its capacity to integrate the new duties assigned to it and completes the internal reforms now underway, it should grow in strength. This should promote its reputation as a major Executive Branch law enforcement agency and facilitate further consolidation. (See Chart 3, p.42 for a comparison of responsibilities under the present and proposed systems.)

The success of these recommendations, however, depends upon the energies exerted during the implementation stages. If equal employment programs are not accorded a top priority, if they are not given the resources and direction required, the prospects are gloomy. What is needed is assistance, concern and leadership through all levels of the Government.

F

The structure proposed for the immediate future represents a distinct improvement over the status quo. The contract compliance program, instead of being spread around numerous enforcement agencies, each with its own procedures, priorities, and strategy for utilizing sanctions, would be centralized in the Department of Labor. Under the strong leadership of Secretary Marshall, that program should reach its potential and assure that Federal contract dollars no longer will support companies that choose to keep minorities and women from sharing in the millions of job opportunities financed by the government. Contractors would deal with only one compliance agency, follow one set of rules, and have only one determination of their conformity with those rules.

Contractors and complainants, moreover, would not have to deal with the contract compliance agency and the EEOC on the same issues. Vesting in the EEOC the duty to coordinate the overall government equal employment program should ensure that troublesome conflicts in policy development and implementation will be minimized. Mutually developed strategies for effecting compliance, assignments of responsibility and reporting requirements will be established. The agencies would be able to supplement instead of duplicate the activities of one another. By agreeing in advance to what information is necessary to determine compliance with the law and by sharing data on a systematic basis, they would avoid squandering their resources in wasteful duplicative investigations. In addition, the EEOC and the Department of Labor would be able to utilize the findings that each make to trigger the sanctions available in each program. Thus, there would be an increase in the number of employers reviewed and the number brought into compliance.

The EEOC would be able to focus greater attention on the problem of sex discrimination as a result of the transfer of the Equal Pay Act program to that agency. By conducting self-initiated reviews authorized by that Act, the EEOC could be more responsive to problems faced by millions of women. Employers would be freed of the possibility that factual determinations made by the EEOC investigators would be inconsistent with those made by the staff of the Labor Department's Wage and Hour Division. In addition, placement of age discrimination responsibility in the EEOC would permit employers to deal with fewer agencies and make possible the operation of ADEA in effective tandem with Title VII.

Public employers and their employees also would benefit substantially from the changes. The EEOC, working with the grant agencies, would be required to develop uniform policies, procedures and investigative assignments so that, for example, a police department with grants from two agencies would not be subject to reviews from both agencies as well as from the EEOC.

Finally, the employment practices of Federal agencies would be measured by the same exacting standards as those of private employers and State and local governments. While the EEOC would ensure that this is true, the Civil Service Commission must continue to examine its policies and change those which impede the ability of the government to recruit and promote minorities and women in all agencies.

The underlying premise of these changes is that the Federal Government should speak with one voice in the equal employment area and its message should be a clear one. The inconsistency, duplication, and spinning of wheels which have led to much of the frustration voiced by those the laws are intended to protect and the employers, who are required to comply with these laws, must begin to disappear.

The recommendations place heavy responsibility on the EEOC and the Department of Labor. For the first time since the proliferation of equal employment provisions, the President, the Congress, and the people will know where to look if the existing problems continue and will know who to thank if, as the Task Force expects, there emerges a program of which the whole Nation can be proud.

III. Decision Table

Presidential Decisions on Reorganization of Equal
Employment Laws and Programs

Alternatives

A. Merge all equal employment opportunity enforcement activities into one agency.

B. Make minimal structural changes; emphasize improved management, better coordination, greater resources.

C. Reorganize and consolidate certain designated equal employment opportunity functions; and create effective coordinating mechanisms which will reduce overlap, duplication and inconsistency between the remaining functions.

Recommendation

Adopt Alternative A as a goal, but implement Alternative C now.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

If you approve of Alternative C, you should also decide on the manner in which the Alternative should be implemented.

Recommendation

Terminate the authority of the 11 government agencies presently vested with the responsibility to ensure compliance by Federal contractors with Executive Order 11246; consolidate compliance authority in the Office of Federal Contract Compliance Programs, Department of Labor.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Announce that two years after the consolidation of the Executive Order 11246 program, you will determine whether to transfer the program to the EEOC.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Retain responsibility for administering Section 503 of the Rehabilitation Act of 1973, as amended, and Section 402 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 in the Office of Federal Contract Compliance Programs of the Department of Labor and reevaluate this decision in two years when reviewing the Executive Order 11246 program.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Transfer the authority to enforce the Equal Pay Act to the EEOC.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Transfer the authority to enforce the Age Discrimination in Employment Act of 1967 to the EEOC.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Transfer the authority to enforce equal employment opportunity for Federal employees to the EEOC.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Retain in the Department of Justice its authority to litigate Title VII pattern or practice cases against State and local governments, as well as its other equal employment litigative authorities.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Retain responsibility for enforcing grant-related equal employment provisions in the agencies administering the grant programs.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Abolish the Equal Employment Opportunity Coordinating Council and transfer its duties to the EEOC.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Announce at the time the reorganization plan is sent to the Congress, your intention to propose at a later date a comprehensive civil rights legislative package.

DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

Recommendation

Announce the reorganization plan in the presence of government officials, Members of Congress and civil rights, business and labor leaders.

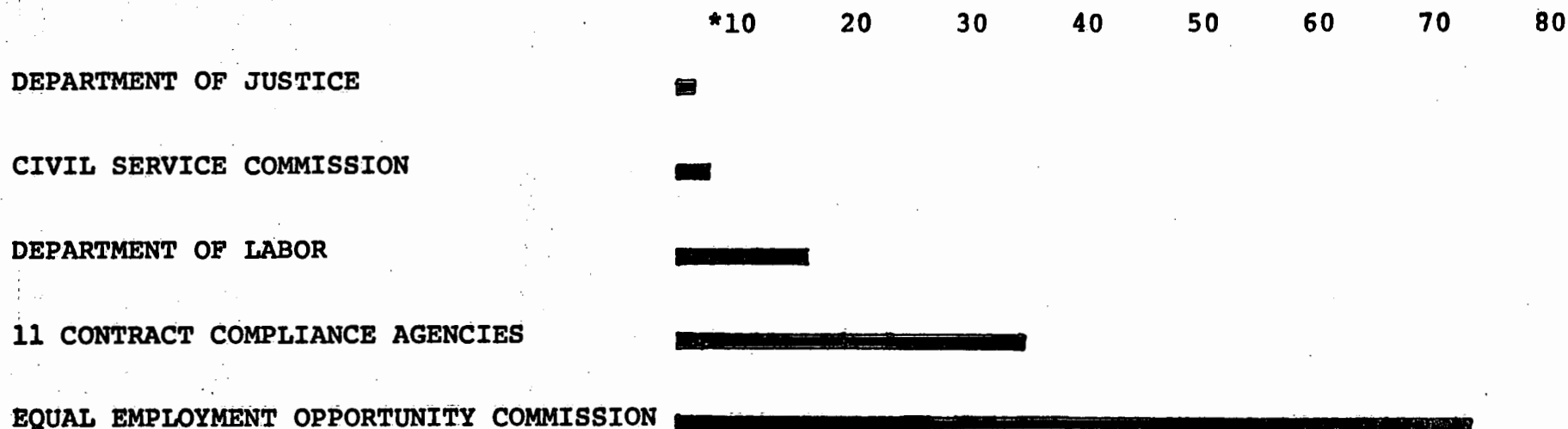
DECISION

Approve _____

Disapprove _____

More Information/Meeting Required _____

FY 1978 OUTLAYS FOR EQUAL EMPLOYMENT ENFORCEMENT



*MILLION DOLLARS

OVERLAPPING JURISDICTIONS

	EEOC	OFCCP	WAGE & HOUR	GRANT AGENCIES
Government Contractors	X	X	X	
Federal Grantees	X		X	X
Educational Institutions	X	X	X	X
All Other Employers	X		X	

EQUAL EMPLOYMENT ENFORCEMENT RESPONSIBILITIES

PRESENT SYSTEM	PROPOSED SYSTEM
<p>A. Contract Compliance Programs</p> <ol style="list-style-type: none"> 1. Office of Federal Contract Compliance Programs 2. Department of Commerce 3. Department of Defense 4. Department of Energy 5. Environmental Protection Agency 6. General Services Administration 7. Department of Health, Education, and Welfare 8. Department of Housing & Urban Development 9. Department of Interior 10. Small Business Administration 11. Department of Transportation 12. Department of Treasury 	<ol style="list-style-type: none"> 1. Office of Federal Contract Compliance Programs
<p>B. All Other Equal Employment Programs, including Title VII, Equal Pay Act, Age Discrimination in Employment Act, and Grant Agencies</p> <ol style="list-style-type: none"> 1. Equal Employment Opportunity Commission 2. Department of Justice 3. EEO Coordinating Council 4. Civil Service Commission 5. Department of Labor 6. Grant Agencies 	<ol style="list-style-type: none"> 1. Equal Employment Opportunity Commission* 2. Department of Justice 3. Grant Agencies <p>*EEOC would have coordination responsibilities over the Justice & grant agencies' programs</p>

IV. Appendices

ATTACHMENT

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THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

I. DUTIES

Title VII of the Civil Rights Act of 1964, as amended in 1972, prohibits employers from discharging or refusing to hire individuals on the basis of race, color, sex, religion or national origin. An employer may not discriminate against employees with respect to compensation, terms, conditions or privileges of employment or segregate or classify persons in a way which would tend to deprive them of employment opportunities or otherwise adversely affect their employment status. Similarly, labor organizations may not exclude or expel from their membership or otherwise discriminate against individuals on the basis of their race, color, religion, sex or national origin.

The Act created the Equal Employment Opportunity Commission (EEOC) as the agency responsible for the enforcement of this prohibition. EEOC investigates written sworn charges of discrimination filed by individuals or members of the Commission. The EEOC is required to defer action on charges to State or local fair employment practices agencies whose statutes or ordinances prohibit the practices forbidden and provide the remedies granted by Title VII. EEOC must attempt to resolve valid charges through conciliation and, as a result of the 1972 amendments to the Act, may file lawsuits against those respondents subject to its jurisdiction where conciliation efforts fail. The sole power to file suit against State and local governments, however, resides with the Attorney General.

II. ORGANIZATION

A. Structure

The Commission consists of five members appointed by the President, one of whom is designated by the President to be Chairperson. The Chairperson is the chief administrative officer of the Commission and is authorized to appoint most of the employees of the agency. The President also appoints an independent General Counsel. The Commission's extensive field structure consists of seven regional offices, 32 district offices and seven regional litigation centers.

B. Staff

Fiscal Year 1978: 2,584 Staff Years

C. Budget

Fiscal Year 1978: \$71.86 million

III. WORKLOAD

It is estimated that EEOC expends almost 90 percent of its resources in the processing of complaints, with the remainder of its staff concentrating on self-initiated attempts to uncover broad patterns of discrimination. In Fiscal Year 1976, the EEOC received 76,800 complaints and an estimated 85,500 complaints in Fiscal Year 1977. In 1976, the Commission settled 3,177 cases prior to a determination of the merits of the complaint. EEOC's success rate in achieving conciliation after a determination on the merits is 31.5 percent. In 1976, the Commission filed 345 suits alleging discrimination.

IV. SIGNIFICANT PROBLEMS

A. In Fiscal Year 1977, EEOC's backlog of complaints reached approximately 130,000.

B. The separation of the Commission's litigation program from its investigative arm has contributed to a high rate of rejection by the litigation centers of cases prepared by EEOC investigators. This has resulted from the differing standards of reasonable cause used by each of these two branches.

C. EEOC has been accused by employers of being an advocacy agency. Work by some investigators has been described as high-handed and inadequate to sustain determinations contained in their case reports.

V. PROPOSED REFORMS

Since becoming Chair of the EEOC in June 1977, Eleanor Holmes Norton has taken a number of steps to improve the performance of the agency. These reforms include:

A. A Backlog Charge Processing System has been designed to eliminate the backlog of charges in 1.5 years. This new system involves grouping files by respondent and selecting those respondents with the largest number of charges for first review. A special management review team in each district office will oversee this endeavor and will move each case forward by delineating each step of the process, setting firm time frames for the completion of each step and ensuring the availability of sufficient staff.

B. A Rapid Charge Processing System has been instituted to speed the handling of complaints. This system is characterized by a tighter screening of complaints, the use of face-to-face factfinding conferences between the charging party and the respondent, and obtainment of information on the minimum settlement terms acceptable to the complainant. A more detailed precharge counselling and interviewing process should eliminate the inadequate analysis of complaints which took place under the previous system. An important element of the Rapid Charge Processing System will be the prompt service of charges on the respondents in order to enable them to secure a just resolution of the grievance without further and lengthy processing.

C. The EEOC's field offices will be restructured to integrate the litigation activities of the Commission with the investigative and conciliation functions.

D. A new common standard for determining reasonable cause has been adopted. Historically the finding of reasonable cause meant only that there was sufficient evidence to attempt to settle the case. This new standard will define reasonable cause as meaning that the case is worthy of litigation and is expected to result in an increased rate of remedies at earlier stages and a greater likelihood of successful conciliation after the reasonable cause decision.

E. An improved training program for EEOC investigators has already been designed to ensure high quality standards of staff performance. This training will be carried out on an on-going basis, which has not been done in the past. State and local 706 agencies will be brought into the EEOC's training system to ensure uniform standards on a national scale.

F. A new Management Accountability and Information System also is being instituted. Under this system, managers of all functions at the Commission will be held accountable for their performance in carrying out the agency's missions and program objectives. The EEOC's computerized and manual information systems are already being revised to assure that the new case processing system is measured from the first day of implementation. The previous independent and uncoordinated information systems which made effective management and planning virtually impossible will be eliminated.

THE DEPARTMENT OF LABOR

The Department of Labor's Employment Standards Administration is responsible for five major non-grant related equal employment opportunity programs which are administered by the Office of Federal Contract Compliance Programs and the Wage and Hour Division.

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

I. DUTIES

A. Executive Order 11246

The provisions of the Executive order require supply and service contractors with a contract of \$10,000 or more in any 12 month period not to discriminate and to take affirmative action to ensure that applicants and employees are treated without regard to their race, color, religion, sex, or national origin. Contractors who employ 50 or more employees and holding a contract of \$50,000 or more are required to have written affirmative action programs for each of their facilities. These programs must analyze the utilization of minorities and women by job groupings and classifications in light of the labor market availability of these groups. Where underutilization is identified by the contractors, they are required to establish reasonable and attainable numerical goals and timetables to eliminate that underutilization and to undertake good faith affirmative action efforts to ensure that those goals are met.

B. Section 503 of the Rehabilitation Act of 1973

All Federal contracts in excess of \$2,500 are required to include clauses in which the contractor agrees to take affirmative action to employ and advance in employment qualified handicapped individuals. Contractors that hold contracts or subcontracts of \$50,000 or more and have 50 or more employees are required to maintain at each establishment an affirmative action program which is to be reviewed and updated each year. Under these regulations, handicapped persons are to identify themselves as being handicapped in order to benefit from such affirmative action programs. Contractors are not required, however, to conduct a utilization analysis nor to establish goals and timetables.

C. Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974

Government contractors with a contract of \$10,000 or more are required to take affirmative action to employ and to advance in employment qualified Vietnam era and disabled veterans. In addition, contractors are required to file suitable job openings and quarterly hiring reports with appropriate local or State employment service offices.

Contractors holding a contract of \$50,000 or more and employing 50 or more persons are required to develop and maintain an affirmative action program for covered veterans. Such programs call for outreach efforts and reviews of job requirements to ensure that they are validated and do not exclude qualified veterans. These contractors are also required to develop on-the-job training opportunities for veterans and to recruit job ready veterans. Utilization analysis, goals and timetables are not required.

Contractors who fail to meet the affirmative action and nondiscrimination requirements of these three programs may have their contracts cancelled, terminated, or suspended or may be debarred from obtaining future contracts.

II. ORGANIZATION

A. Structure

Executive Order 11246 assigned the administration of its enforcement program to the Secretary of Labor while

leaving the actual enforcement responsibility in the contracting agencies. The Secretary has delegated responsibility for administering the program to the Office of Federal Contract Compliance Programs (OFCCP). The responsibility for actually securing compliance from those covered by the Executive order is vested in 11 contracting agencies. Only OFCCP, however, enforces Section 503 of the Rehabilitation Act of 1973 and Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974.

B. Staff

Fiscal Year 1978: OFCCP - 216 Staff Years
Compliance Agencies (11) -
1,571 Staff Years

C. Budget

Fiscal Year 1978: OFCCP - \$6.9 million
Compliance Agencies (11) -
\$33.1 million

III. WORKLOAD

During Fiscal Year 1976, the compliance agencies conducted 10,647 reviews representing 58.6 percent of the reviews which had been planned for that fiscal year. OFCCP conducts regular audits of the compliance agencies' enforcement activities and between July 1, 1975 and September 30, 1976, it conducted audits of 45 agency compliance offices. To ensure that the compliance agencies' reviews of contractors are adequate, OFCCP periodically conducts audits of the agency compliance review reports. During the period mentioned above, OFCCP conducted 647 such reviews. Enforcement of the Executive order in the construction industry has been implemented through special bid conditions and area-wide (hometown or imposed) plans in certain parts of the country. As of August 1977, there were only 42 hometown plans and seven imposed plans nationwide.

Between July 1975 and August 1977, five contractors were debarred under the contract compliance program. As of July 1977, another six contractors were awaiting administrative hearings to determine if they were in compliance.

In Fiscal Year 1976, about 40 percent of OFCCP's total staff (87 persons) were assigned to work on the enforcement of the veterans and handicapped programs. During Fiscal Year 1977, 2,089 complaints by veterans and 3,329 complaints from handicapped persons were received by OFCCP.

IV. SIGNIFICANT PROBLEMS

A. Some officers of corporations complain of inconsistency in the enforcement of the Executive order program. In general, they have facilities reviewed by more than one agency and they complain that the forms acceptable to one agency are not acceptable to another, making a corporate approach to affirmative action all but impossible.

B. Under the current structure of enforcement, OFCCP has had difficulty getting the compliance agencies to follow its directives.

C. The structure of the Executive order program also breeds conflict of interest between the compliance agencies' procurement objectives and the objectives of the contract compliance program. OFCCP, nevertheless, has never withdrawn the compliance authority from a recalcitrant compliance agency.

D. Contract compliance for the construction industry has been ineffective as evidenced by the limited number of plans developed and the cumbersome elements of procedures for developing such plans.

E. The use of sanctions against contractors has been sparse.

V. PROPOSED REFORMS

A. A September 1977 OFCCP Task Force Report proposed that the enforcement responsibilities of the 11 compliance agencies be consolidated in OFCCP in order to eliminate inconsistent enforcement and to eradicate the conflict of interest in the present compliance program.

B. A formal, comprehensive regulatory framework, including basic standards and enforcement procedures, is proposed to be established to replace hometown plans and special bid conditions for the construction industry.

C. The Assistant Secretary for Employment Standards has called for the increased use of sanctions, including debarment, for those contractors out of compliance.

WAGE AND HOUR DIVISION

I. DUTIES

A. Equal Pay Act of 1963

The Equal Pay Act (EPA) amended the Fair Labor Standards Act of 1938. The EPA forbids wage discrimination on the basis of sex between employees who are performing work on jobs in the same establishment, the performance of which requires equal skill, effort and responsibility and is performed under similar working conditions.

B. Age Discrimination in Employment Act of 1967

The Age Discrimination in Employment Act (ADEA) prohibits job discrimination against workers between 40 and 65 years of age. Prohibitions and coverage generally parallel those under Title VII of the Civil Rights Act of 1964.

II. ORGANIZATION

A. Structure

The enforcement of EPA and ADEA is carried out through a system of 10 regional offices, 90 area offices and 260 field stations. Compliance officers also enforce other provisions of the Fair Labor Standards Act, the Davis-Bacon Act, the Service Contract Act and the Public Contract Act. Compliance reviews, investigation of individual complaints and court proceedings are the primary methods of enforcement. Suits enforcing these statutes are filed by the Office of the Solicitor of Labor.

B. Staff

Fiscal Year 1978: Wage and Hour Division - 239

Solicitor - 78 Staff Years

C. Budget

Fiscal Year 1978: Wage and Hour Division - \$7.2 million

Solicitor - \$1.6 million

III. WORKLOAD

A. Under the EPA, the number of complaints filed in Fiscal Year 1976 totaled 2,311. In that year, over 5,000 complaints were filed on the basis of the Age Act. The backlog in equal pay enforcement is less than 2,000, while that under the Age Act is a little more than 2,000. During Fiscal Year 1976, the Wage and Hour Division undertook 6,678 compliance reviews. That same year, Wage and Hour found that a total of 24,610 employees had been underpaid and 164 civil actions were filed by the Solicitor of Labor to enforce the EPA.

IV. SIGNIFICANT PROBLEMS

A. Wage and Hour policy statements reflect major differences with the positions of the Equal Employment Opportunity Commission.

B. During Fiscal Years 1975 and 1976, DOL regional and area office staff appear to have decreased their emphasis on equal pay enforcement compared to earlier years.

V. PROPOSED REFORMS

The Assistant Secretary for Employment Standards has instructed the Wage and Hour Division to increase its efforts to enforce the EPA.

DEPARTMENT OF JUSTICE

I. DUTIES

The authority of the Department of Justice to enforce prohibitions against employment discrimination emanates from six statutes and an Executive order. The Attorney General, under Title VII of the Civil Rights Act of 1964, has authority to bring suits, after referral from the EEOC, against State and local governments. In addition, the Department of Justice has on its own initiative brought pattern and practice suits against public employers. The Attorney General also has authority to sue recipients of Federal grants pursuant to the following statutes:

- A. The State and Local Fiscal Assistance Act of 1972;
- B. The Omnibus Crime Control and Safe Streets Act of 1968;
- C. The Comprehensive Employment and Training Act of 1973;
- D. The Housing and Community Development Act of 1974; and
- E. Title VI of the Civil Rights Act of 1964.

II. ORGANIZATION

A. Structure

The Employment Section of the Civil Rights Division of the Department of Justice has handled most of the Department's employment discrimination litigation. The Federal Programs Section of the Civil Rights Division, however, has handled employment litigation relating to recipients of Federal financial assistance while the Education Section has handled litigation involving public educational institutions.

B. Staff

Fiscal Year 1978: Employment Section - 44 Staff Years

C. Budget

Fiscal Year 1978: Employment and other sections - \$2.1 million

III. WORKLOAD

Between March 1974 and June 1977, the Department of Justice brought 39 suits involving employment discrimination.

IV. SIGNIFICANT PROBLEMS

A. One of the failures of the Civil Rights Division has been its neglect of sex discrimination cases; prior to 1972, only two of the Employment Section's cases alleged discrimination based on sex.

B. The Civil Rights Division also has been charged with being too conservative.

C. The Employment Section's small size has adversely affected its ability to litigate a large percentage of the instances of noncompliance brought to its attention.

V. PROPOSED REFORMS

A. The Civil Rights Division has expressed its intention to improve its track record in sex discrimination cases.

B. The Division has suggested an internal reorganization which would involve the transfer to the Employment Section of all litigation involving employment in elementary and secondary schools.

C. The Department has undertaken a study to determine whether the U.S. Attorneys should be given responsibility to handle referrals from the EEOC of individual charges of discrimination made by State and local government employees.

CIVIL SERVICE COMMISSION

I. DUTIES

The Civil Service Commission (CSC) has authority under Executive Order 11478 and the 1972 amendments to Title VII of the Civil Rights Act of 1964 to enforce equal opportunity and affirmative action in the Federal service. The CSC is called upon to supervise and provide leadership and guidance to the equal employment opportunity programs within the executive departments and agencies. In furtherance of that responsibility it can issue regulations, orders and instructions to the various departments and agencies. In addition, the CSC has the responsibility to review and approve annually national and regional equal employment opportunity plans submitted by each government department and agency.

Federal employees do not have recourse to the EEOC but file complaints of discrimination with their own agencies. If they disagree with the determination of their respective agencies, they may appeal to the CSC.

II. ORGANIZATION

A. Structure

The CSC administers the equal employment opportunity program in the Federal Government through an office of Federal

Equal Employment Opportunity (FEEEO) within the Office of the Commission's Executive Director. The Director of FEEEO reports to the Assistant Executive Director of the Commission. The FEEEO is responsible for reviewing affirmative action plans and overseeing the complaint system, as well as special emphasis programs such as the Federal Women's Program, the Spanish-speaking program, and the Upward Mobility Programs. Other units of the CSC, such as the Appeals Review Board, also play a role in administering the equal employment program.

The various agencies and departments, on the other hand, have set up their own internal equal opportunity programs. These are normally headed by an Equal Employment Opportunity Officer who reports to the head of the agency or another senior agency official.

B. Staff

Fiscal Year 1978: CSC - 250 Staff Years
(120 to be transferred)

C. Budget

Fiscal Year 1978: CSC - \$6.2 million
(\$3 million to be transferred)

III. WORKLOAD

Approximately 7,000 formal discrimination complaints were filed by government employees in Fiscal Year 1976. During the same year, 1,760 agency decisions were appealed to the CSC's Appeals Review Board. Affirmative action plans are submitted annually to the CSC by all agencies with 500 or more employees. The Commission has reviewed only about 1,200 of the 4,000 plans submitted to it.

IV. SIGNIFICANT PROBLEMS

A. The Professional and Administrative Career Examination (PACE), which is administered by the Commission to screen applicants for more than 100 job titles, has not been properly validated.

B. Commission rules and procedures governing complaints are more burdensome to Federal employees than those issued by the EEOC for employees in the non-Federal sectors.

C. Despite a statutory limitation of 180 days for the processing of complaints by government employees, the government-wide average for the processing of complaints was 398 days in Fiscal Year 1976.

D. The CSC has been criticized because its guidelines on affirmative action are weaker than those governing the private sector.

E. While the CSC requires agencies to conduct their own internal equal employment evaluations, there is no specific guidance on what constitutes an acceptable evaluation.

V. PROPOSED REFORM

A. The present Commissioners have expressed great concern about improving the effectiveness of the Commission's equal employment efforts. In addition, they have supported the efforts of the joint CSC-PRP Personnel Management Task Force to explore the need for change in such important areas as the structure and location of the Federal Title VII program and such CSC ranking procedures as the Veterans preference.

B. The Commission has developed new ideas for reforming the current system for reviewing agency affirmative action programs. These ideas include requiring on-the-scene monitoring of agency actions under their respective plans.

THE EQUAL EMPLOYMENT OPPORTUNITY COORDINATING COUNCIL

I. DUTIES

The Equal Employment Opportunity Coordinating Council was established by the 1972 amendments to Title VII of the Civil Rights Act of 1964. The Council is responsible for developing and implementing agreements, policies and practices designed to maximize enforcement efforts and promote efficiency. The Council also is responsible for eliminating conflict, competition, duplication and inconsistency among the various departments, agencies and branches of the Federal Government responsible for ensuring equal employment opportunity. The Act requires the Council to report annually to the President and to Congress on its activities and to make recommendations for legislative or administrative changes.

II. ORGANIZATION

A. Structure

The Equal Employment Opportunity Coordinating Council is composed of the Attorney General, the Secretary of Labor, the Chairpersons of the Equal Employment Opportunity Commission, the Civil Service Commission, and the Civil Rights Commission. Title VII gave the Council no specific enforcement authority. Implementation of policies or procedures developed by the Council is dependent on the acceptance of each of the members. In recognition of this limitation, the Council agreed in 1972 to make decisions by consensus rather than by majority vote.

B. Staff

Each member agency assigned, on a part-time basis, the number of staff-hours believed to be sufficient to carry out its respective Council responsibilities.

C. Budget

No budget has been appropriated.

III. WORKLOAD

From July 1975 through November 1976, the agency heads designated as Council representatives, were more active than previously in the Council's history. During this period, Council members met at least once a month on a regular basis. Since November 1976, however, the Council has been dormant. While active, most of the Council's time was consumed in an attempt to reach agreement on a set of common employee selection guidelines which would be applied to both the Federal and private sectors.

IV. SIGNIFICANT PROBLEMS

The Council has failed in its objective of reaching common agreement on any significant issue related to equal employment opportunity. With regard to the major issue which has faced the Council, namely Employee Selection Guidelines, the Council was unable to reach agreement.

V. PROPOSED REFORMS

The Council has failed to enunciate any reforms.

THE WHITE HOUSE
WASHINGTON

November 17, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Hamilton Jordan
Bob Lipshutz
Frank Moore
Jody Powell
Jack Watson
Jim Gammill
Bunny Mitchell
Richard Pettigrew

The attached is forwarded to you for your
information.

Rick Hutcheson


REORGANIZATION MEETING: 11/18/77

THE PRESIDENT HAS SEEN.

DATE: NOVEMBER 18, 1977

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

PAGE: - 1-

FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
SEN. DENNIS	DECONCINI	AGREES WITH YOU THAT PUBLIC SHOULD BE EDUCATED ON THE PANAMA CANAL PACTS; DOES <u>NOT</u> BELIEVE IT IS IN THE BEST INTEREST OF THE U.S. TO RATIFY A TREATY THAT THE PUBLIC IS "VEHEMENTLY" OPPOSED TO; WILL CONTINUE TO GIVE THE ISSUE "EARNEST CONSIDERATION."	REFERRED TO BOB THOMSON	
REP. JOHN	MOSS	CONCERNED ABOUT WELFARE OF AMERICANS IN BOLIVIAN PRISONS.	ACKNOWLEDGED BY FM REFERRED TO STATE DEPT.	
REP. DON	PEASE	ON BEHALF OF CONSTITUENTS, URGES RECONSIDERATION OF DECISION TO RETURN CROWN OF ST. STEPHEN.	ACKNOWLEDGED BY FM REFERRED TO STATE DEPT.	
REP. ANTHONY ROBERT JAMES GEORGE HELEN	BEILENSEN EDGAR JEFFORDS BROWN MEYNER	LAUD DECISION NOT TO OPPOSE IWC QUOTA ON BOWHEAD WHALES; HOWEVER, THEY ARE CONCERNED ABOUT PLANS TO REPLACE U.S. COMMISSIONER TO THE IWC, DR. WILLIAM ARON, AND THE DEPUTY COMMISSIONER, MR. THOMAS GARRETT, WHO ARE LEADING WHALE CONSERVATIONISTS.	ACKNOWLEDGED BY FM REFERRED TO EIZENSTAT	
REP. DON	PEASE	CONCERNED ABOUT LACK OF COHESIVE U.S. POLICY TOWARD UGANDA; SUGGESTS TRADE BAN.	ACKNOWLEDGED BY FM REFERRED TO STATE DEPT.	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

PAGE: - 2-

FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
REP. JOSHUA	EILBERG	CONCERNED ABOUT THE CASE OF THE SLEPAK FAMILY; SON WAS ALLOWED TO EMIGRATE FROM SOVIET UNION, BUT FAMILY IS STILL THERE; THE FATHER IS A LEADER IN THE SOVIET JEWRY CAUSE.	ACKNOWLEDGED BY FM REFERRED TO STATE DEPT.	
SEN. ROBERT	MORGAN	AS CHAIRMAN OF RURAL HOUSING SUBCOMMITTEE, CONCERNED THAT PLANS TO REORGANIZE RURAL HOUSING PROGRAMS HAVE NOT BEEN DISCUSSED WITH SUBCOMMITTEE MEMBERS.	ACKNOWLEDGED BY FM REFERRED TO OMB	
REP. JOSEPH	MCDADE	CONCERNED ABOUT UNFAIR TRADE PRACTICES BY JAPAN IN THE IMPORTATION OF AMERICAN LEATHER GOODS.	ACKNOWLEDGED BY FM REFERRED TO STRAUSS	
REP. GEORGE	MILLER	CONCERNED ABOUT JAPANESE TRADE PRACTICES WITH REGARD TO LEATHER.	ACKNOWLEDGED BY FM REFERRED TO STRAUSS	
REP. PAUL	FINDLEY	DISAGREES WITH FIGURES IN PROCLAMATION ON SUGAR IMPORTS; IF PRICE PREFERENCE IS ACCORDED IMPORTS AND U.S. INCLUDES LOANS TO SUGAR PRODUCERS AS PART OF SUGAR PROGRAM, BELIEVES OVERALL EFFECT WILL BE U.S. OWNERSHIP OF MOST DOMESTIC SUGAR.	ACKNOWLEDGED BY FM REFERRED TO STRAUSS	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

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FROM ----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
REP. JOSHUA	EILBERG	CONCERNED ABOUT PLANS TO REORGANIZE AGENCIES WITH JURISDICTION OVER BORDER MANAGEMENT; DOESN'T BELIEVE ENOUGH INTERRELATION OF DRUG TRAFFICKING AND ILLEGAL ALIEN OPTIONS.	ACKNOWLEDGED BY FM REFERRED TO OMB	
REP. JAMES	HANLEY	FORWARDS EDITORIAL SUGGESTING INEQUITIES BETWEEN NUCLEAR POLICY WITH REGARD TO CINCINNATI RIVER LMFBR AND U.S. HELP TO JAPAN ON NUCLEAR FUEL FACILITY.	ACKNOWLEDGED BY FM REFERRED TO EISENHOWER	
REP. EDWARD	ROYBAL	CONCERNED ABOUT INSUFFICIENT EMPHASIS ON PROBLEMS OF CHILDREN BY MENTAL HEALTH COMMISSION.	ACKNOWLEDGED BY FM REFERRED TO KATHY CADE	
SEN. JACOB	JAVITS	REQUESTS DISASTER AID FOR STATEN ISLAND DUE TO FLOODING.	REFERRED TO EISENHOWER	
SEN. DAN PAT	MOYNIHAN	REQUESTS DISASTER AID FOR STATEN ISLAND DUE TO FLOODING.	REFERRED TO EISENHOWER	
REP. DAN	QUAYLE	CONCERNED ABOUT DOCKWORKERS' STRIKE.	REFERRED TO LABOR DEPT.	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

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FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
REP. JOE	WAGGONER	AS CHAIRMAN OF WASHINGTON MARDI GRAS BALL, INVITES YOU AND ROSALYNN TO ATTEND THIS YEAR'S WASHINGTON MARDI GRAS NIGHT; INCLUDES SCHEDULE OF ACTIVITIES.	REFERRED TO FRAN VOORDE BCC: BILL CABLE	
REP. JIM GUY	TUCKER	ENDORSES INVITATION TO ADDRESS ARKANSAS ENGINEERS AT ENGINEERS' WEEK BANQUET.	REFERRED TO FRAN VOORDE	
SEN. WARREN	MAGNUSON	ENDORSES INVITATION TO DELIVER GALLAUDET COMMENCEMENT ADDRESS.	REFERRED TO FRAN VOORDE	
REP. ALBERT	QUIE	ENDORSES INVITATION TO CONFERENCE ON HUMAN RELATIONS IN EDUCATION.	REFERRED TO FRAN VOORDE	
REP. WALTER	FLOWERS	ENDORSES INVITATION TO SPEAK AT SOUTHERN RURAL POLICY CONGRESS IN ATLANTA, JANUARY 1978.	REFERRED TO FRAN VOORDE	
REP. PARREN	MITCHELL	FORWARDS LETTER FROM CONSTITUENT, DR. SAMUEL MYERS, REQUESTING YOUR APPEARANCE AT NATIONAL CONFERENCE ON BLACKS IN HIGHER EDUCATION, IN WASHINGTON, APRIL 1978.	REFERRED TO FRAN VOORDE	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

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FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
SEN. ADLAI	STEVENSON	ENDORSES INVITATION TO ADDRESS ADVISORY BOARD OF THE SALVATION ARMY AT A DINNER IN DECATUR, JANUARY OR FEBRUARY 1978.	REFERRED TO FRAN VOORDE	
REP. LIONEL	VAN DEERLIN	ENDORSES INVITATION TO ADDRESS INTERNATIONAL COMMUNICATIONS ASSN.	REFERRED TO FRAN VOORDE	
REP. CHARLES	THONE	ENDORSES REQUEST OF WIFE (WOMEN INVOLVED IN FARM ECONOMICS) FOR A MEETING WITH YOU.	REFERRED TO FRAN VOORDE	
REP. YVONNE	BURKE	ENDORSES INVITATION TO SPEAK TO 28TH ANNUAL MEETING OF THE INTERNATIONAL COMMUNICATIONS ASSOCIATION IN CHICAGO DURING APRIL 1978.	REFERRED TO FRAN VOORDE	
SEN. JOHN	SPARKMAN	RECOMMENDS BEN C. REEVES FOR ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
REP. TOM	DOWNEY	RECOMMENDS DR. ROBERT MOORE FOR BOARD OF VISITORS OF WEST POINT.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

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FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
REP. HARLEY	STAGGERS	RECOMMENDS JAMES R. MCCARTNEY FOR NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. DAN PAT	MOYNIHAN	RECOMMENDS CROCKER NEVIN FOR REAPPOINTMENT TO BOARD OF GOVERNORS OF POSTAL SERVICE.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. FLOYD	HASKELL	RECOMMENDS WALLACE B. EDGERTON FOR THE COMMISSION ON LANGUAGE AND AREA STUDIES.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. LEE	METCALF	RECOMMENDS LOUIS J. CARTER FOR NRC.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. LEE	METCALF	RECOMMENDS PHIL VARGAS FOR EEOC.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. JOHN	SPARKMAN	ENDORSES JOHN BARRIERE FOR PRESIDENT OF FANNIE MAE.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	
SEN. DANIEL	INOUE	RECOMMENDS HIS FRIEND MYRON (PINKY) THOMPSON FOR A POLICY-LEVEL POSITION IN THE GENERAL FIELD OF ECONOMIC DEVELOPMENT.	ACKNOWLEDGED BY FM REFERRED TO WH PERSONNEL	

SUMMARY OF CONGRESSIONAL MAIL TO THE PRESIDENT

DATE: NOVEMBER 18, 1977

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FROM -----		SUBJECT -----	DISPOSITION -----	COMMENTS -----
REP. JAMES	FLORIO	CONSTITUENT JOHN READ HAS INVENTED A HOUSE THAT USES NO LUMBER, SAVES ENERGY AND IS INEXPENSIVE.	REFERRED TO FRANK PRESS	
REP. GENE	SNYDER	CONSTITUENT JOSEPH KLUES PROTESTS ALLEGED INEQUITIES IN MILITARY RETIREMENT SYSTEM.	REFERRED TO MILITARY OFFICE	
REP. JACK	BRINKLEY	CONSTITUENT REQUESTS YOUR AUTOGRAPH ON SOME CERTIFICATES TO BE HUNG IN THE GEORGIA WELCOME CENTER.	REFERRED TO JANE SIMPSON	



THE PRESIDENT HAS SEEN.

OFFICE OF THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

November 17, 1977

ASSISTANT SECRETARY
FOR ADMINISTRATION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Personnel Management Recommendations

We have all been involved for several months in the work of the Federal Personnel Management Project portion of your reorganization effort. While there are still minor differences among us on some of the specifics, we are in full agreement that the recommendations made to you by Civil Service Commission Chairman Campbell and Wayne Granquist will bring about a number of long-overdue changes in the Federal personnel management system. We urge your early adoption of these recommendations so that work can begin at once to put them into effect. We are all grateful for your insight and willingness to focus on this problem and for your support of these reforms.

Edward W. Scott, Jr.

Edward W. Scott, Jr.
Assistant Secretary for Administration
Department of Transportation

Alfred M. Zuck

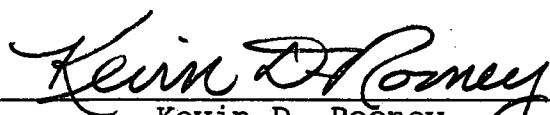
Alfred M. Zuck
Assistant Secretary for Administration
and Management
Department of Labor

David O. Cooke

David O. Cooke
Deputy Assistant Secretary of Defense
for Administration
Department of Defense

J. Fred King

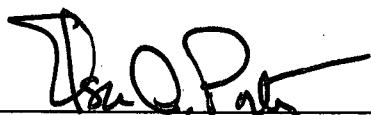
J. Fred King
Acting Assistant Secretary for
Administration
Department of Agriculture



Kevin D. Rooney
Assistant Attorney General for
Administration
Department of Justice



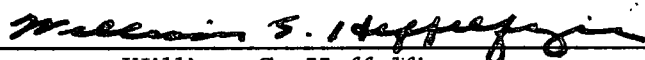
Thomas S. McFee
Acting Assistant Secretary for
Personnel Administration
Department of Health, Education,
and Welfare



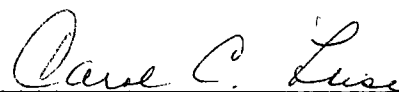
Elsa A. Porter
Assistant Secretary for Administration
Department of Commerce



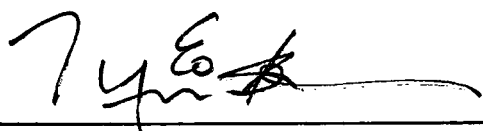
William A. Medina
Assistant Secretary for Administration
Department of Housing and Urban
Development



William S. Heffelfinger
Director of Administration
Department of Energy



Carol C. Laise
Director General of the Foreign
Service
Department of State



Larry E. Meierotto
Acting Assistant Secretary - Policy,
Budget and Administration
Department of Interior



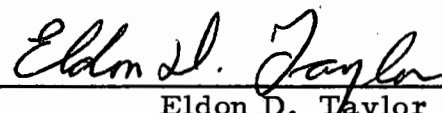
Janice K. Mendenhall
Director of Administration
General Services Administration



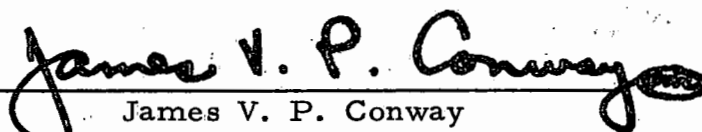
John Gabusi
Assistant Director for Administration
Community Services Administration



Ray Kline
Acting Associate Administrator for
Management Operations
National Aeronautics and Space
Administration



Eldon D. Taylor
Assistant Director for Administration
National Science Foundation



James V. P. Conway
Senior Assistant Post Master General
for Employee and Labor Relations
U. S. Postal Service



William Drayton, Jr.
Assistant Administrator for Planning
and Management
Environmental Protection Agency

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

18 November 1977

MEMORANDUM FOR THE PRESIDENT

FROM:

RICK HUTCHESON *RLH*

SUBJECT:

Status of Presidential Requests

EIZENSTAT:

1. (10/6) (and Schultze) Comment and draft reply regarding memo from Sen. DeConcini regarding copper -- Done, (copy attached). *done*
2. (9/13) Assess three items briefly regarding Marshall memo concerning black unemployment -- Done. *done*
3. (11/14) Give the President your comment on Secretary Blumenthal's original memo on oil imports -- Done. *done*
4. (11/14) What can be done administratively about the amendment to Environmental Community of Exempting Federally Sponsored Projects in Wetlands from Obtaining Permits from the Corps of Engineers? -- In Progress, (expected 11/22).

LIPSHUTZ:

1. (11/10) Prepare brief reply regarding letter from John Nickoll concerning Anatoly Sharansky -- Done. *done*

JORDAN:

1. (11/10) See the President regarding letter from Ailyse Baier asking to serve in the Administration -- Done. *done*

2. (11/14) See the President today regarding December trip to Texas and/or AFL-CIO, or neither -- Done.

done

WATSON:

1. (10/31) Expedite reply after consultation regarding letter from Gov. Straub concerning timber problems/log imports -- Done.

done

HARRIS:

1. (8/11) Push this; work with Lehman, Pepper, Stone, Childs and condominium groups regarding condominium recreation leases -- In Progress, (with OMB, which is gathering Department comments; expected 11/23).

SCHLESINGER:

1. (8/22) (and Stu) Begin preparing for action regarding options to reduce oil imports -- Done, (in 11/19 meeting).

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for Preservation Purposes**

THE WHITE HOUSE

WASHINGTON

November 7, 1977

To Senator Dennis DeConcini

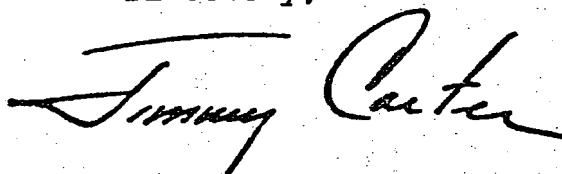
I appreciate your thoughtful memorandum on the problems now facing the copper industry. Members of my cabinet and senior staff reviewed your suggestions, and I would like to share their reactions with you.

We are initiating, as a result of your letter, an intensive review of the stockpile suggestion. We are interested in your proposal, although other domestic and international issues must be considered. I have asked that a more detailed series of options be prepared without delay. Any further suggestions or thoughts you may have on this would be welcome and should be directed either to me or to Stu Eizenstat who will head this effort.

Concerning your other suggestions, I do have some serious reservations about actions which restrain trade. I have, however, requested that Stu's task force look into the possibilities of further negotiations with producing and consuming nations.

My thanks again for your comments and suggestions. They have been very helpful.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J". The last name "Carter" is written with a large, sweeping initial "C".

The Honorable Dennis DeConcini
United States Senate
Washington, D.C. 20510

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	LANCE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
/	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
/	HUTCHESON
	JAGODA
	KING

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

rick--

please send me copy

thanks -- susan

11/17/77

SADAT

Has our support
Syria - incl in
W Bank/Gaza
Yad Vashem

Clarence Long - trying
to get IFI
Call Tip

Kaunda

11/18/77

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Gratitude

Proud = created =

No need to try to convince Assad

Statesman

Visit to Yad Vashem - all mature

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for Preservation Purposes



~~CONFIDENTIAL~~

THE PRESIDENT HAS SEEN.
THE SECRETARY OF THE TREASURY
WASHINGTON 20220

C

November 18, 1977

MEMORANDUM FOR THE PRESIDENT

Subject: Highlights of Treasury Activities

1. EPG Activities

a. Steel

The EPG meets Saturday, November 19, to review the recommendations of the Solomon Task Force. A memorandum on these proposals will be sent to you Monday. Solomon has been consulting intensively with domestic industry and union representatives and with House and Senate leaders of the Steel Caucus. These soundings have been encouraging.

b. Tax Reform

The EPG Steering Committee has been meeting frequently, with the Vice President, to formulate a somewhat slimmed down package of reforms and cuts, which could serve as the centerpiece of your 1978 economic policy. On Monday I will send you a memorandum on the new package. We should discuss the package with you before Thanksgiving, as we urgently need to begin consultations on the Hill and to prepare technical material for your tax message.

2. The Dollar

a. Exchange Rate Movements

The dollar has depreciated almost 20% against the Yen since January. (With a considerable lag, this may have a substantial depressing effect on Japanese exports to the U.S.) After a week of considerable upward pressure on the Yen the Japanese have introduced limited restraints on the inflow of foreign currencies. The European currencies held relatively firm against the dollar this week, with little intervention by European central banks.

~~CONFIDENTIAL~~

Jay 2/7/90

b. Paris Meeting

Next month I will attend in Paris another confidential meeting with the Finance Ministers of the U.K., Germany, France and Japan. The focus will inevitably be on the dollar's strength, particularly with respect to the Yen.

c. Important Meeting with you

As I mentioned on the phone, it is essential that you meet this week with Jim Schlesinger, Charlie Schultze, Jim McIntyre, Tony Solomon and me to settle on a strategy for dealing with our balance of payments problem. These decisions are crucial to the strength of the dollar and may have an important impact as the OPEC countries move toward decisions on oil prices for 1978.

3. Stock Market

The market has reacted very favorably to your conciliatory comments about Chairman Burns, to my congressional testimony to like effect, and to indications that our tax program will be reasonably simple and part of a coherent strategy for putting the economy, and capital formation in particular, back on track.

4. New York City

The City's financial situation remains precarious, which will complicate legislation next year to extend our lending program. I will meet Monday in New York on these problems with Mayor-elect Koch, Governor Carey, and Mayor Beame.

5. Corporate Bribery

The House-Senate conferees are close to agreement on this bill and may reach a suitable compromise by the end of this session. If so, this bill can be claimed as an Administration accomplishment this year.

~~CONFIDENTIAL~~

-3-

6. Travels/Speeches

I spent three days this week in Los Angeles, Florida, and Texas speaking before business groups on our economic and energy policies, and will be doing the same in New York City next Monday and Tuesday. I am sending you a separate report on how our policies are viewed in these circles.

W. Michael

W. Michael Blumenthal

~~CONFIDENTIAL~~

CLASSIFIED BY W. Michael Blumenthal
AUTOMATICALLY DECLASSIFIED
ON January 1, 1979



THE PRESIDENT HAS SEEN.

DEPARTMENT OF STATE

BRIEFING MEMORANDUM

S/S

November 18, 1977

TO: The President

FROM: Arthur J. Goldberg, Ambassador-at-Large *ayg*

SUBJECT: Interim Report on the Belgrade Conference

The Belgrade Conference is the latest stage of an East-West negotiation whose origins go back at least to the 1954 efforts by the Soviet Union to conclude a post-war treaty fixing and legitimizing Communist political and territorial acquisitions in Europe. The actual work of the Conference on Security and Cooperation in Europe only began in July, 1973, with a Foreign Ministers' meeting in Helsinki, after the East had been obliged to agree to the participation of the U. S. and Canada, had concluded the Four-Power Agreement on Berlin and had begun the MBFR talks in Vienna. The actual negotiation of the Final Act took place in Geneva from September, 1973, through June, 1975, when West European diplomats carried the heavier load of pressing the East for commitments to a freer flow of information and people as part of the structure of ongoing detente. The Final Act (or Helsinki Accord) was signed by top representatives of 35 states--including President Ford and Secretary General Brezhnev--in Helsinki, August 1, 1975. It provided, among other specific commitments, for prior notification of military maneuvers, improvement of conditions for commercial, economic, educational and scientific activities and liberalization of safeguards for human rights, including eased restrictions on family reunification and contacts and expanded flow of information and culture. It also called for a meeting of the 35 signatories in Yugoslavia in 1977.